



Daily Report

Latin America

FBIS-LAT-90-195
Tuesday
9 October 1990

Daily Report Latin America

FBIS-LAT-90-195

CONTENTS

9 October 1990

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

Brasilia Common Market Talks Register Progress [Madrid EFE]	1
Sugar Exporters Announce Production Deficit [Madrid EFE]	1

CARIBBEAN

Cuba

Party Make: Leadership, Organizational Changes [Havana Radio]	3
Congress Preparations Under Way [Havana TV]	4
Changes in Provincial Posts [Havana TV]	4
Expansion of Rationing Blamed on Fuel Shortages [Havana International]	5
Soviet Military Delegation Arrives for Talks [Havana TV]	5
Meets With FAR Counterparts [Havana TV]	5
Castro Attends Yugoslav Envoy Reception [Havana TV]	5
CTC Plenum Announces Change in Methods [Havana Radio]	6
Outlines 'Red Sunday' Preparations [Havana TV]	6
Castro Says Moscow Striving To Honor Commitments [Havana International]	6
Commentary Hits U.S. on Human Rights in Panama [Havana International]	6
Politburo Member Heads Delegation to DPRK [Havana TV]	7
Rodriguez Attends 'South Commission' End Session [Havana TV]	7
Economic Advisers Awarded Soviet Medals [Havana Radio]	7
Bilateral Fishing Agreement With Mexico Signed [Havana Radio]	8
Chinese Economic, Trade Official Opens Visit [Havana Radio]	8

Dominica

Government Sets Conditions on Trade With Cuba [CANAL]	8
---	---

Dominican Republic

ILO Denied Permission To Investigate Workers [Santo Domingo Radio]	8
--	---

Haïti

State Council Issues Statement on Situation [Port-au-Prince Radio]	8
RDC, Volel Advocate Election Boycott [Port-au-Prince Radio]	9

Jamaica

Perez Announces Venezuelan Oil Aid Package [CANAL]	9
--	---

St. Lucia

Tropical Storm Klaus Damages Banana Crop [CANAL]	10
--	----

Trinidad and Tobago

Robinson Urges International Crime Controls [CANAL]	10
Opposition Head Condemns Treaty With Venezuela [CANAL]	11
Energy Minister Discusses Oil Production [CANAL]	11

CENTRAL AMERICA

Costa Rica

Nationwide Strike Protests Economic Policies [Mexico City NOTIMEX]	12
Union Workers Claim Success [San Jose Radio]	12

El Salvador

Cristiani Discusses UN Trip, Peace Process [San Salvador Radio]	13
FMLN Adviser Responds to Cristiani UN Speech [EL MUNDO 2 Oct]	16
Parties View Cristiani UN Speech [EL MUNDO 4 Oct]	17
Cristiani Blamed for Possible U.S. Aid Cutback [DIARIO LATINO 3 Oct]	17
Effects of Possible Reduction Viewed [San Salvador TV]	17
FMLN on Detention of ONUCA Delegates [Radio Venceremos]	18
ONUCA Denies Incident With FMLN [San Salvador TV]	18
Prelate Calls for UN Commission on Human Rights [San Salvador TV]	18
Border With Honduras Permanently Opened [EL DIARIO DE HOY 3 Oct]	19
Cristiani Denies Increasing Fuel Price [San Salvador TV]	19
MNR Criticizes Cristiani's Attitude in Dialogue [San Salvador Radio]	20
Weekly Roundup on Clashes With FMLN [DIARIO LATINO 1 Oct, etc.]	20

Honduras

Callejas on Fuel Prices, International Financing [Tegucigalpa Radio]	21
Views Sending Troops to Gulf [Mexico City NOTIMEX]	22
Kidnapped Labor Union President Found Dead [ACAN]	23

Nicaragua

Cesar Confirms Chamorro Cabinet Reshuffle Plans [Hamburg DPA]	23
Daniel Ortega on Defending 'People's Interests' [Managua Radio]	23
Labor Conflicts Continue at Enabus, Banks [Managua Radio]	26
Editorial Blames UNO for Incidents in Waslala [BARRICADA 4 Oct]	26
Army, Police Retake Waslala [BARRICADA 6 Oct]	27
Former Contras Blamed for Situation in Quilali [BARRICADA 7 Oct]	27
Sailors, Police Missing After Honduran Attack [Managua Radio]	28
Cooperation Protocol Signed With PRC Delegation [LA PRENSA 6 Oct]	28

SOUTH AMERICA

Bolivia

Plot To Murder President, Others Revealed [La Paz TV]	29
Embassy in Kuwait Reportedly Raided 28 Sep [La Paz Radio]	29
Iturralde Reiterates Support for UN Resolutions [La Paz Radio]	29
Mexican President Arrives for One-Day Visit [La Paz Radio]	29
Presidents Sign Joint Declaration [Madrid EFE]	29
Mexico To Support Request To Join Group of 8 [Madrid EFE]	30
President Expects Invitation To Join Rio Group [La Paz Radio]	30
Paz Cited on Lack of Coordination in Drug Fight [PRESENCIA 29 Sep]	31
Official on Overview of Alternative Development [PRESENCIA 1 Oct]	31
Foreign Minister Iturralde Advocates Integration [La Paz Radio]	31
Paz Signs Decrees Creating Indian Territories [EL DIARIO 25 Sep]	32

Brazil

Company Negotiates Suspension of Contract [O GLOBO 5 Oct]	32
Remaining 82 Employees Coming Home From Iraq [Brasilia Radio]	33
Eleven Citizens Remain in Iraq [Rio de Janeiro TV]	33
Iraq Demanding Food Ransom for Detainees [O GLOBO 5 Oct]	33

Rezek on Ties With Iraq, Nuclear Policy [Brasilia Radio]	34
Brigadier Piva Comments on Iraqi Missile Project [FOLHA DE SAO PAULO 2 Oct]	34
Collor Concludes Visit; Meetings Scheduled [FOLHA DE SAO PAULO 3 Oct]	35
Collor To Attend Group of 8 Meeting in Caracas [Brasilia Radio]	35
Five Americans Die in Plane Crash Near Bahia [Rio de Janeiro TV]	36
Foreign Debt Negotiator Discusses Goals [O GLOBO 6 Oct]	36
Minister Enumerates Limitations of Navy [FOLHA DE SAO PAULO 2 Oct]	36
International Bank Branches To Reserve Dollars [Brasilia Radio]	37
Officials View Launch Site-for-Technology Trade [O GLOBO 2 Oct]	37
Nuclear Development Recommendations Made [O GLOBO 30 Sep]	37
Report Recommends Uranium Enrichment Methods [O GLOBO 30 Sep]	39
Paper Evaluates Key Officials in Nuclear Program [O GLOBO 30 Sep]	39
Minister on Nuclear Program, Alleged Test Site [O GLOBO 3 Oct]	40
Details of Electric Motor for Nuclear Submarine [O ESTADO DE SAO PAULO 3 Oct]	41
Official Vote Count Behind Schedule in 15 States [Brasilia Radio]	41
Mexico's Salinas de Gortari To Visit [Brasilia Radio]	42

Chile

Seven Freed Hostages Return From Iraq [Santiago TV]	42
Weapons Firm Selling Cluster Bombs to Ethiopia [Madrid EFE]	42
U.S. Sanctions To Be Lifted Before Bush Visit [Santiago Radio]	42
President Aylwin Addresses Welcoming Crowd [Santiago Radio]	43
Foxley Reports on Foreign Debt Agreements [LA TERCERA DE LA HORA 23 Sep]	45
Aylwin Receives Invitation From Thatcher [Santiago Radio]	45
Foxley on Measures To Offset High Fuel Prices [Santiago Radio]	46
Foreign Minister Criticizes U.S. Measures [Santiago Radio]	46
Demonstration by Prisoners' Relatives Dispersed [Santiago Radio]	47
Vice President Leaves Journalist Conference [LA TERCERA DE LA HORA 25 Sep]	47
Minister Foxley Says Inflation Under Control [Santiago Radio]	47
Bomb Explodes Near National Renewal Office [Santiago Radio]	47
Lautaro Group Bombs Mormon Church, Burns Bus [Santiago Radio]	48
Broadcasters Demand Closure of Illegal Stations [Santiago Radio]	48

Colombia

Air Force Reportedly Bans DEA Flights [Mexico City NOTIMEX]	48
Government Blames Kidnappings on Medellin Cartel [Bogota TV]	48
Notables Offer To Mediate [Bogota TV]	49
Recording Indicates Two Alive [Madrid EFE]	49
Guerrilla Coordinating Board Writes to Gaviria [Bogota Radio]	50
Government Asks Guerrillas To Expand on Dialogue [Bogota TV]	51
Gaviria Comments on Extradition, Drugs [EL NUEVO SIGLO 29 Sep]	51
M-19, Student Movement Support Assembly [EL TIEMPO 5 Oct]	51
Government Extradites Drug Trafficker to U.S. [Madrid EFE]	52
Presidential Decree Reform Favors Extraditables [Bogota TV]	52
Government Orders Extradition of Citizen [Bogota Radio]	53
Attack on Pipeline, Oil Company Discovered [Bogota Radio]	53
More on Government Condemning Terrorist Acts [Bogota TV]	53
Inflation Figures Reportedly Highest in 13 Years [Bogota TV]	53
Radio Reports 843 Persons Kidnapped 'So Far' [Bogota TV]	53

Paraguay

Arrests of Police for Coup Attempt Denied [ABC COLOR 5 Oct]	54
Military Checkpoints Reported in Asuncion [HOY 6 Oct]	54
U.S. Investors' Lack of Confidence Noted [ULTIMA HORA 5 Oct]	54
Opposition Deputy Reports Dissatisfaction in Army [ABC COLOR 5 Oct]	54
First Shipment of Argentine Oil Arrives [ABC COLOR 1 Oct]	55
Petroleum Chief Ensures Normal Supply of Oil [ULTIMA HORA 4 Oct]	55
Offices of the Presidency Restructured [NOTICIAS 3 Oct]	56
Medellin Cartel Thought To Be Operating Locally [ABC COLOR 7 Oct]	56

Peru

Fujimori Dismisses Dialogue With Terrorists [Lima TV]	56
Vice President Advocates Dialogue [Lima Radio]	57
MRTA Leader Calls Paper To Discuss Events [EXPRESO 3 Oct]	58
Fujimori Comments on Antiterrorism Efforts [Lima TV]	59
Defense Minister on New Strategy [Lima TV]	59
State of Emergency Extended in Lima, Callao [Madrid EFE]	60
President Fujimori Receives Naval Decorations [Lima TV]	60

Brasilia Common Market Talks Register Progress

PY0610160290 Madrid EFE in Spanish 1414 GMT
3 Oct 90

[Excerpt] Brasilia, 3 Oct (EFE)—In Brasilia, Argentina, Brazil, Paraguay, and Uruguay have discussed, for the first time, the basis for an agreement on creating a regional common market by 1 January 1995. Its temporary headquarters will be in Montevideo.

Last night, representatives completed two days of talks at the Brazilian Foreign Ministry; they will meet again on 23 and 24 October in Rio de Janeiro.

The discussions were described as technical, and the documents that were drawn up will now be submitted for consideration by the political authorities of the four countries.

After this week's meeting in Brasilia, it was decided that "a common economic space"—which will be made up of the entire Southern Cone—will be integrated by 1995. The head of the Brazilian delegation, Celso Amorim, admitted today, however, that this is a political decision that is still subject to ratification.

The Brazilian Foreign Ministry official said: "There is interest in Chile's participation, although we understand its reasons since it is more advanced than us" (in the economic reform process).

During the meeting, the preamble's guidelines and the objectives of the four-country common market were drawn up and there was an agreement on the need to establish a clause to settle controversies.

"There was also a consensus on the need to coordinate macroeconomic policies involving foreign trade," Amorim said.

Another point that was discussed involved the creation of some sort of permanent mechanism, a common market organ, which will be temporarily headquartered in Montevideo.

Amorim said the possibility of establishing a parliament similar to the European one in Strasbourg was not considered since the representatives preferred not "to think of a Christmas tree before having the gifts."

Uruguay was given the assignment of preparing a proposal on the institutional aspects of the common market, which, between the four countries, will have more than 180 million potential consumers.

The head of the Brazilian delegation indicated that the work method has been changed and that the protocol system that was used so far by Argentina and Brazil will be abandoned. The representatives will work on gradual "linear tariff suspensions" [desgravaciones lineales], with appropriate exceptions, in order to eliminate internal tariffs among the partners by 1995.

Formation of a common market will also affect diplomacy since it will involve the coordination of common stands in international forums such as the GATT.

In this regard, it could happen that there will not only be coordination, but a single voice as has just happened in Washington on the Americas Initiative, Amorim stressed. [passage omitted]

Sugar Exporters Announce Production Deficit

PY0610234290 Madrid EFE in Spanish 0123 GMT
5 Oct 90

[Text] Santa Cruz (Bolivia), 4 Oct (EFE)—The 26th meeting of the Group of Latin American and Caribbean Sugar Exporting Countries (GEPLACEA) ended today with the announcement of a world sugar production deficit of 300,000 tons.

The conference which began 1 October in Santa Cruz, 903 km east of La Paz, reported that the low production was caused by bad weather, drought, and fuel shortages in Cuba and Brazil which are the main producers.

The GEPLACEA meeting, which was attended by 150 delegates from 22 Latin American and Caribbean countries, evaluated current sugar production at the regional and world level as well as its higher price in the market.

The price of sugar on the international market this year reached \$.16 per pound, and the current price is \$.11.

The highest sugar price in history was \$.40 per pound in 1980, and in June 1985 it plummeted to \$.02.

Among GEPLACEA members, sugar production for export in the last few years has been low due to little incentive from the EEC and other countries.

It is estimated that in 1990 the region will produce 26 million tons which will be 2 million tons less than the 1988 production.

The meeting also studied changes in the sugar production policy of the majority of producers and the introduction of new technology to replace traditional sugar agro-industry.

Argentine Jose Antonio Cerro, GEPLACEA executive secretary, emphasized the importance of using sugarcane and its by-products as animal fodder because it requires little investment and there is great demand.

He said: "It is hard to say which part of the sugarcane industry is most important. In some cases it is important to make fuel alcohol now that oil prices are going up on the international market."

He also indicated that people should be trained in international trade, that the exchange of technological know-how should be strengthened, the diversification of the product studied, and its energy capacity improved to the maximum. Above all, he said, an organization of African producers should be created.

Latin America, which is responsible for 30 percent of world production, uses two-thirds of the sugarcane it produces. Sugar is Latin America's third product in export volume, coming right after oil and coffee.

Sugar production, however, is affected by U.S., European, and Japanese protectionism, which creates customs obstacles. In addition, these areas export more than 4 million tons of sugar a year, thus affecting the price of the product on the international market.

All the delegates agreed that prices will continue to suffer the pressure of U.S. protectionism and of the EC subsidy policy.

Bolivian Hector Justiniano, president of the 26th GEPLACEA meeting, said that this year there will be a deficit of 300,000 tons of sugar which will keep prices at the current level.

"All subsidies on EC production cause us unnecessary losses, and create certain disadvantages. This is why such meetings and the resolutions reached here are so important," Justiniano added.

Bolivian Agriculture Minister Mauro Bertero emphasized the solidarity of the countries in attendance and stressed the need to reorganize and modernize sugar agro-industry to make it more competitive.

The next GEPLACEA meeting will be held in Uruguay in 1991.

Cuba

Party Makes Leadership, Organizational Changes

FL0510130590 Havana Radio Rebelde Network
in Spanish 1120 GMT 5 Oct 90

[Report entitled "Group of Measures Approved on the Structure and Functioning of the Party," read on the "Haciendo Radio" program]

[Text] The commission to organize the Fourth Congress of the Communist Party of Cuba [PCC]—presided over by Commander in Chief Fidel Castro, Army General Raul Castro, and other members of the party directorate—evaluated and approved a set of Politburo considerations and proposals regarding the structure of municipal and provincial committees and the Central Committee. The commission also approved other proposals related to the functioning and activities of the PCC. The full and alternate provincial central committee members approved the Politburo proposals and endorsed cadre changes deriving from these measures. The approved agreements are in line with the decision not to wait until the next congress to implement measures that have already been sufficiently studied and that should contribute to the improvement of the party's efforts. Other decisions that were broadly analyzed and discussed, and that provide answers to matters broached during pre-congress debates—matters on which there is full consensus—will also be implemented.

In this case, the essential goal is for party leadership organs to move toward broadest possible methods and work styles, thereby eliminating factionalism [frentismo], exclusivity [homologuismo], and other defects. The basic tenet is that henceforth, the party will fulfill its role of orientation and control with an increasingly all-encompassing and multilateral vision, adapting its organization in a flexible manner to the characteristics of the territory in which it is operating, and the specific priorities of the task at hand, instead of on the basis of nominal attention to organizations, institutions, branches, or sectors that make up the country's state apparatus.

An expression of this overall approach is the merger, in municipalities and provinces, of the functions and structures that to date have maintained a division among the tasks of revolutionary organization and orientation. In the future, these will be handled by a single member of the executive bureau at these levels. In line with these concepts, it will be possible to reduce the number of members of the executive bureaus of the municipal and provincial committees, simplify their structures, and to reduce the number of officials in auxiliary apparatuses.

The intent is to make the party an example of the strict application of the principle of not using a single cadre, at each level of the organization, more than is absolutely necessary. This is an indispensable premise for carrying out a coherent and systematic effort that is required to

end the hypertrophy of the state leadership organs, in administration, and in political and mass organizations.

As a result of these agreements, there will be a large-scale reduction of party staff. Some people, presently occupying certain positions, will be able to strengthen other fronts where their presence will be much more useful, efficient, and advisable. Other comrades, who are also valuable and experienced, will be transferred to productive or service tasks.

The membership of the provincial committees, as a result of these modifications, will be reduced by approximately 50 percent. It is planned that the tendency to promote, as nonprofessional members of the executive bureaus, cadres with very specific and high-pressure administrative and political responsibilities be avoided, since this overburdens these cadres and distracts them from their essential duties.

In provincial committees, each professional member of the executive bureau will also be the head of a department and will work with a reduced team of officials of the same rank. Only as an exception will consideration be given to the possibility of having a chief of a subordinate department. This will virtually eliminate the intermediate structures of the auxiliary apparatuses and create the premises for reducing, to a minimum, excess paperwork and other expressions of bureaucracy.

In order to provide greater freedom and flexibility in the distribution of tasks and allow a broader base for the selection of the first secretary, it was also decided to abolish the post of second secretary in municipalities and provinces. As a rule, at these levels, procedures have been prescribed for the organization of tasks and for an efficient adaptation of the cadre structure so as to meet the demands of the economic, political, and social development of the territory, without being fixed in a rigid framework.

Concerning the Central Committee, the adopted measures affect the structure of the Secretariat and the reorganization of the auxiliary apparatus, including the reduction of departments from 19 to nine members, and a reduction in the number of officials.

In this regard, it is estimated that the present roster of positions will be reduced by over 50 percent.

The Central Committee Secretariat is being restructured under the leadership of the first and second secretary and only three secretaries, for the moment, who are professionally dedicated to the work of the party.

Politburo member Jose Ramon Machado Ventura will be responsible for organizational departments, including organizations, general affairs, attention to mass organizations and state and judicial organs, cadre policy—which is being created as a new department—basic industry, and consumer and services departments, which also includes the operations of the current Public Health Department.

Alternate Politburo member Julian Rizo Alvarez will be responsible for the agro-food departments, which includes the sugar, agricultural-livestock, and economic departments, in addition to the activities of the food and fishing industry, as well as construction, transportation, and communications, which is the result of the union of the two departments that, up to now, had been responsible for these activities.

Carlos Aldana Escalante will be responsible for the ideological departments, which include revolutionary orientation and culture, education, sciences, sports, and international relations, which unites the current departments of foreign and American relations.

It was decided to eliminate the military department and replace it with a military commission assigned directly to the Politburo.

The administration and services department is also being eliminated and its responsibilities will be assumed by an office created for this purpose.

As a result of these structural changes, Comrade Politburo members Jorge Risquet Valdes and Brigade General Sergio Perez Lezcano will cease to function as secretaries of the Central Committee.

The organizing commission agreed that the restructuring of the Secretariat of the Central Committee, as well as other important measures that were adopted, will be assessed by the Congress, which will thus have enough time to observe the results and reflect on its subsequent perfection. Similarly, several proposals pertaining to the possibility of reducing personnel rosters and modifying some structures of the Central Committee organs were also broached.

Several proposals pertaining to the operations and activity of the party were also approved, including the creation of work commissions that combine the majority of the members of the municipal and provincial committees, of which other elected members could also become a part. They will be elected by the corresponding assemblies to strengthen the collective work of these organs.

The granting of powers to the organs to decide on internal sanctions and the elimination of alternate membership before the next municipal, provincial and Central Committee elections, are intended to raise the standards and the composition of the party's elected organs and to make their activities more flexible, economical, and productive, and to give them more concrete responsibility.

In this regard, the importance of the electoral system, which will be effective for the next assessment process in municipalities and provinces, was stressed. This system is based on elections by direct and secret vote in the corresponding committees and the candidates will receive, at least a majority vote of 20 to 25 percent from the members that will constitute the committee. The committee thus elected will also, through secret and

direct vote and a similar candidacy procedure, elect the Executive Bureau and first secretary from its members.

During the meeting of the organizing commission, it was stressed that this is a first group of measures which does not invalidate all other suggestions that could be made by the commission responsible for studying the perfection of the party, which now begins its work, and can lead to new decisions prior to the Congress or at the Congress itself. It was also stressed that it is important to apply these measures immediately in order that they may be evaluated during the assessment process that will be instituted by the municipal and provincial party organizations between November 1990 and February 1991. In this way, we will approach the congress with concrete experience that can be analyzed and will serve to deepen the ideas that inspire the perfection of the political and revolutionary vanguard of our society.

Congress Preparations Under Way

*FL0810125890 Havana Tele Rebelde Network
in Spanish 1100 GMT 8 Oct 90*

[Text] The provincial subcommittees that will work on the preparations for the Fourth Congress of the Communist Party of Cuba [PCC] and draft proposals to be submitted to the Congress have been established. Esteban Lazo, member of the PCC Politburo and first secretary of Central Committee in Santiago, presented the members of each subcommittee.

The subcommittees were established to perfect the PCC structure, content, methods, and working style. Their establishment completes one of the preliminary steps for the celebration of the most important gathering of Cuban communists.

Changes in Provincial Posts

*FL0810182190 Havana Tele Rebelde Network
in Spanish 1700 GMT 8 Oct 90*

[Text] Proposed changes to the Executive Bureau of the Provincial Committee of the Central Committee of the Communist Party of Cuba [PCC] in Santiago de Cuba Province were announced during a meeting chaired by Esteban Lazo Hernandez, top PCC authority in that area.

Lazo announced that the PCC departments and sections, and the post of second secretary have been abolished. Tasks will be distributed among six professional cadres, who will henceforth form the Executive Bureau of the PCC Provincial Committee in Santiago de Cuba.

With the proposed changes, the Executive Bureau will continue to be headed by Esteban Lazo. Ostorio Fong will now be in charge, among other things, of tasks related to the agricultural food program. Feliz Cardonne will be in charge of services. Industries and construction will come under Emilio Conde. Education, Science and

Sports will be assigned to Maria Garcia, and Luis Moya will be in charge of organization and revolutionary orientation.

These changes in the structure of the top party leadership in the area are in response to the proposals made during debates before the Fourth PCC Congress. They will be approved or rejected during the assembly for the evaluation, renovation, and confirmation of mandates scheduled to be held in the first quarter of 1991.

Expansion of Rationing Blamed on Fuel Shortages

PA0710174590 Havana International Service
in Spanish 0000 GMT 6 Oct 90

[Commentary by Roberto Morejon]

[Text] The austerity measures implemented in Cuba show serious difficulties the country is experiencing, but which are far from bringing chaos to its structures. Simply put, the Cuban people are entering the threshold of what is called here a special period during time of peace. Of course, the phase that is beginning entails a change in customs and a shortage of goods and services generated by energy sources, such as electricity. The rising Cuban standard of living, higher than the average in many Third World countries, was dealt a setback with the reduction in oil deliveries from the Soviet Union.

Cuba lacks its own energy resources and is almost entirely dependent on the 12 million tons of oil sent every year from the Soviet Union. This means that adapting to new conditions and surviving the shortages are part of the special period during time of peace. The general principle is to equitably distribute among the citizenry everything that can be purchased amid Cuba's financial limitations. The rationing of food, clothing, personal and household goods, and other items will now begin, through more equitable distribution system.

Thirty-five staple goods, including oil, rice, meat, milk, and beans, are currently ensured by the rationing card, and an additional 28 items that were sold freely before are now restricted. Also, 242 essential industrial products were included on the ration card to be distributed through a more equitable organization system, although it is far from fulfilling expectations. The Cuban Government has publicly admitted the shortage of many food and industrial items, but ensured decent per capita [as heard] amid the sharp drop in foreign products.

Soviet Military Delegation Arrives for Talks

FL0610115890 Havana Tele Rebelde Network
in Spanish 1100 GMT 6 Oct 90

[Text] Army General Mikhail Alekseyevich Moiseyev, chief of the General Staff of the USSR Armed Forces, arrived in Cuba this morning on an official and friendly visit. He is heading a high-level military delegation.

The delegation was welcomed at the Jose Marti International Airport by Division General Ulises Rosales del

Toro, first vice minister of the FAR [Revolutionary Armed Forces] and chief of the General Staff, as well as other FAR generals, chiefs, and officers.

The visitors are fulfilling an invitation extended by the FAR Ministry and during their stay in Cuba, they will tour areas of historic, political, social, and military interest.

Meets With FAR Counterparts

FL0910022490 Havana Television Service
in Spanish 1700 GMT 7 Oct 90

[Text] Official talks between a high-level Soviet Armed Forces delegation and the representatives of the Revolutionary Armed Forces [FAR] began yesterday afternoon at the headquarters of the Ministry of the FAR.

The meeting was presided over by Army General Mikhail Alekseyevich [Moiseyev], chief of the General Staff of the USSR Armed Forces, and his counterpart, Division General Ulises Rosales del Toro, first vice minister of the FAR.

The talks were held in a cordial and friendly atmosphere appropriate to the brotherhood that characterizes relations between the armed forces of the two countries.

In welcoming the distinguished guests, Division General Ulises Rosales del Toro conveyed a message from the FAR minister and he thanked them for visiting our country, especially now that a complex international situation exists. The first vice minister of the FAR gave a briefing on the tasks our country is undertaking in the construction of socialism and the tasks directed at increasing the country's defense capability.

While in Cuba, the delegation will fulfill an extensive list of activities, including meetings with the principal leaders of our military institutions and visits to areas of historic, economic, and social interest, as well as to other areas pertaining to defense.

Castro Attends Yugoslav Envoy Reception

FL0610114190 Havana Tele Rebelde Network
in Spanish 1100 GMT 6 Oct 90

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, last night attended the reception held by Yugoslav Ambassador Mihailo Popovic, who has concluded his mission in Cuba. Commander of the Revolution Juan Almeida, vice president of the Council of State; Jorge Lezcano, first secretary of the Communist Party of Cuba in Havana City Province; and Jose Montane, aide to the commander in chief, also attended the reception.

The leader of the Cuban revolution had a fraternal talk with Ambassador Popovic and other Yugoslav Embassy officials.

CTC Plenum Announces Change in Methods

*FL0510180390 Havana Radio Rebelde Network
in Spanish 1705 GMT 5 Oct 90*

[Text] National and provincial labor cadres will be placed at the rank and file, bureau, or labor session [session sindical] levels as part of the rectification process within the Cuban labor movement. This was announced today during the fourth plenum of the National Committee of the Cuban Workers Federation [CTC], in session since yesterday at the Workers Palace in Havana.

Pedro Ross Leal, CTC secretary general and alternate member of the Politburo of the Communist Party of Cuba, stated the following:

[Begin Ross Leal recording] This implies a radical change of the methods, working style, and the content of tasks. It implies the elimination of all duplication of functions. [end recording]

The labor leader explained the new structure of the provinces, municipalities, bureaus, and labor sessions.

This morning's CTC session began with a speech by Alejandro Roca, minister of the food industry, who reported that 50,000 hamburgers are already being sold in Havana City, and that in November and December, production lines for this item will be established in all the country's provinces.

Roca said this is an experiment to facilitate a more efficient use of the first batches of pork from our swine-breeding complexes.

The fourth plenum of the CTC National Committee will end this afternoon.

Outlines 'Red Sunday' Preparations

*FL0610013090 Havana Television Service
in Spanish 0000 GMT 6 Oct 90*

[Text] The fourth CTC [Cuban Workers Federation] plenary session ended today after two days of work. Among other subjects, the priority plans for the special period and the new work content of the labor movement were discussed. On the final day, CTC Secretary General Pedro Ross reported that the Red Sunday dedicated to the Great October Revolution is planned for 4 November. He stated that the mobilizations for this day will be conducted only in places where there really exists work to be done. The rest of the populace will participate in clean up and beautifying tasks in their own neighborhoods.

[Begin Ross recording] But it should be a Red Sunday in honor of the October Revolution, of what it has meant for all peoples, all workers, throughout the world. [end recording] The CTC meeting has been very useful, what was discussed here gives us a measure of the situation we are facing and the role of the workers movement in the special period. The presence of Commander in Chief Fidel Castro was, without a doubt, very encouraging for

the union leaders. He instructed and encouraged the workers movement to make use of all its abilities and creativity at this crucial time in the country's history.

The information on priority plans—outlined by the ministers of agriculture, the sugar industry, the food industry, and the National Institute of Tourism—provided the opportunity for firsthand knowledge about the programs that have been undertaken to respond to the challenges of this phase. In our opinion, this reinforces the responsibility of the working class and its leaders at this time.

The plenum's approval for the union movement's new work content was also very important; this is based on the principle of focusing attention on those priority, decisive tasks that ensure more active participation by the workers organization in the economic and social program we have undertaken. This, along with the redistribution of union positions and cadres to strengthen the base level, confirms that the CTC and its unions, at the head of our workers, is increasingly adjusting to the current circumstances.

Castro Says Moscow Striving To Honor Commitments

*PA0510155890 Havana International Service
in Spanish 0100 GMT 5 Oct 90*

[Text] We carried out the revolution—no one carried it out for us, and no one has defended it on our behalf. This statement was made by Cuban President Fidel Castro to the Mexican newspaper EL SOL DE MEXICO.

After recalling that for years Cuba was characterized as a satellite of the Soviet Union and the socialist camp, Fidel said that he hopes that those who spread such lie will now fully realize that we have never been, that we are not, and that we never will be anyone's satellite.

Referring to deficits in the Soviet deliveries of fuel and other products, the Cuban president said he knows that the Soviet Government is making efforts to fulfill its bilateral commitments despite the grave political, economic, and social crisis in the Soviet Union.

Regarding German reunification, Fidel Castro said that the existence of two German states was justified when each German state was building a different social and economic regime, but since both states now promote the development of capitalism, I see no reason for the existence of two Germanys.

Commentary Hits U.S. on Human Rights in Panama

*PA0610224590 Havana International Service
in Spanish 0100 GMT 4 Oct 90*

["Our America" commentary, read by Manolo Ortega]

[Text] Undoubtedly, the invasion of Panama radically changed the life of Panamanians, and not to their advantage. On various occasions, we have referred to the current economic chaos in that country. In addition, on

20 December 1989 a process began which worsens every day: the violation of human rights.

The most serious of those violations was the invasion itself, and then came the bombings that killed part of the population and left others homeless. We must add the state of tension that still prevails in the country, as the problems created by the invaders are still unresolved.

In that regard, Olga Mejia, president of the National Commission for the Defense of Human Rights, said that the Panamanian people fell victim to a brutal attack and genocide that killed at least 7,000 people from poor neighborhoods. The right to life of children, students, women, civilians, and military who surrendered was not respected. They were massacred. Many bodies were burned or buried in common graves without any identification, Mejia added.

The war of occupation of defenseless people, however, only marked the beginning of violations of basic human rights, which the United States claims to be the foremost defender. A climate of psychological warfare prevails, making relatives of the victims live under constant fear and preventing them from reporting violations.

The National Commission for the Defense of Human Rights in Panama has reported that there exists a climate of persecution against all those who, in one way or another, were linked to previous government and against those who resisted foreign invaders.

Also, the economic and social conditions in Panama have deteriorated. Approximately 20,000 public employees have been fired, salaries have decreased, and there are official plans to eliminate social benefits set forth in the Labor Code. Those economic problems have become more complex with plans to privatize public enterprises and with the official economic strategy that, according to the Panamanian human rights organization, was drafted by U.S. agencies to safeguard U.S. interests.

Analyzing all these violations, many people may wonder why the U.S. Government has claimed to defend human rights in the world but nevertheless did not respect the sovereignty of a nation and sent its troops to trample on citizens' rights. The United States should at least remain silent and discreet, as the invasion of Panama was the biggest human rights violation against any country. However, the permanent violations, which the United States admits to, totally disqualify the Bush administration from expressing its opinion on respect for human rights in other countries.

Politburo Member Heads Delegation to DPRK

*FL0610131390 Havana Tele Rebelde Network
in Spanish 1300 GMT 6 Oct 90*

[Text] A Communist Party of Cuba (PCC) delegation headed by PCC Politburo member Julio Camacho Aguilera has departed for the DPRK to attend the activities marking the 45th anniversary of the Korean Workers Party.

Rodriguez Attends 'South Commission' End Session

*FL0810191690 Havana Tele Rebelde Network
in Spanish 1700 GMT 8 Oct 90*

[Text] The South Commission [Independent Commission of the South on Development Issues] has concluded its work after three years of intensive consultations with a call for continued efforts to solve the Third World's economic problems.

In the final session, held in Tanzania, South Commission President Julius Nyerere presented a book containing the work of the commission, which is made up of 28 dignitaries from developing countries.

Tanzanian President Ali Hassan Mwinyi addressed the gathering. He praised the commission's efforts and urged the southern countries to continue striving for a solution to their serious economic problems.

Cuban Vice President Carlos Rafael Rodriguez spoke during a meeting between the members of the South Commission and participating African heads of State. Rodriguez also had a meeting with the Tanzanian president, to whom he delivered a message from Commander in Chief Fidel Castro, president of the Cuban Councils of State and of Ministers.

Meets Tanzanian President

*PA0810192790 Havana International Service
in Spanish 1400 GMT 8 Oct 90*

[Text] Cuban Vice President Carlos Rafael Rodriguez has met with Tanzanian President Ali Hassan Mwinyi in Dar es Salaam. Rodriguez delivered a message from Cuban leader Fidel Castro.

Rodriguez attended the South Commission meeting in the Tanzanian city of Arusha yesterday, which was held to assess three years of efforts made on behalf of underdeveloped countries.

The Cuban leader was one of three speakers at the meeting between the South Commission members and the African heads of state in Arusha.

Economic Advisers Awarded Soviet Medals

*FL0810195490 Havana Radio Rebelde Network
in Spanish 1700 GMT 8 Oct 90*

[Report by (Victor Kusbin) from Moscow]

[Text] Two specialists from the Ministry of Installation and Special Construction Work of the USSR, on the decision of the ministry leaders and the USSR construction workers' trade unions, were awarded the Medal of Honor and Outstanding Installer of the USSR as an expression of support for Soviet-Cuban cooperation in this area. Raul Donas, Cuba's economic adviser to the Soviet Union, received the medal from Vladimir Bryunin, deputy minister of the Ministry of Installation and Special Construction Work.

Comrade Donas said that next year will be the 30th anniversary of his participation in the development of friendship and cooperation between our two countries. Over the last few years, he said, the development of this collaboration has become more complex. New work styles have arisen, Donas added, but, based on these 30 years of cooperation and that indestructible friendship that the Cubans and Soviets have developed, I think that we will continue to find ways to develop cooperation between Cuba and the USSR, but with more quality.

Bilateral Fishing Agreement With Mexico Signed

*FL0510201590 Havana Radio Reloj Network
in Spanish 1945 GMT 5 Oct 90*

[Text] Mexican Fisheries Secretary Maria de los Angeles Moreno has said that the fishing agreements signed between Cuba and Mexico are an example of true integration between the two Latin American countries. At the end of the meeting of both countries' fishing authorities, the minister stated that the program that has been approved includes not only cooperation in fishing but also in fish farming, aquaculture, and marketing to other countries.

She said that this agreement is a source of pride, an example of cooperation and integration without selfishness or petty interests, and makes a reality of Carlos Salinas de Gortari's proposals in this regard. Cuban Fishing Industry Minister Jorge Fernandez Cuervo noted that the agreement is unprecedented, since for the first time our country and Mexico have been in complete agreement about approving a program of 20 actions to be carried out in the short and medium term.

Chinese Economic, Trade Official Opens Visit

*FL0810214690 Havana Radio Reloj Network
in Spanish 1948 GMT 8 Oct 90*

[Text] Wang Wendong, assistant minister of the PRC's Ministry of Foreign Economic Relations and Trade, has arrived in our country. The purpose of the visit is to assess the status of economic relations between the two countries. It is also expected that an agreement will be signed for the construction of a bicycle factory and a fan factory in Cuba with the technical assistance of the brother Asian country.

Dominica

Government Sets Conditions on Trade With Cuba

*FL0810204490 Bridgetown CANA in English
1930 GMT 8 Oct 90*

[Text] Roseau, Dominica, Oct 8, CANA—The Dominica Government, once more stating its willingness to trade with Cuba, says it would do so only for hard currency.

"We can have trading relations if they're prepared to pay us proper prices," said a staunchly pro-U.S. Prime Minister Eugenia Charles. "I haven't found that the persons of the communist world are anxious to pay the value for the things that they get," she added. "We're not in the barter business... We must get cash for the goods that we supply," Charles said, noting that this was the position not only for communist states but any country Dominica did business with.

Her remarks follow recent efforts by executive member of the opposition Dominica Labour Party (DLP) Rosie Douglas to encourage Dominican and other Caribbean Community enterprises to do business with Cuba. Douglas said that soaps manufactured by Dominica coconut products could be exported to Havana.

Dominican Republic

ILO Denied Permission To Investigate Workers

*FL0810202790 Santo Domingo Radio-Television
Dominicana Radio Network in Spanish 1600 GMT
8 Oct 90*

[Text] The Dominican Government has rejected a visit by a mission of the International Labor Organization, ILO, to investigate alleged violations of Haitian workers' rights. On 3 October, Labor Secretary Dr. Washington de Pena told ILO delegate Mr. Lionel Mason that an investigation of the country's internal affairs would be infuriating.

This is the second time that the Dominican Government has refused to allow an ILO delegation to investigate allegations of mistreatment of Haitian workers, who are brought here to cut cane.

Haiti

State Council Issues Statement on Situation

*FL0510173590 Port-au-Prince Radio Haiti-Inter
in Creole 2000 GMT 3 Oct 90*

[Text] The State Council has just released its position on the political situation in the country:

According to the protocol of agreement of 4 March 1990, the most important role of the State Council is to provide support to the executive. The executive's duties are to run the government; establish political, institutional, and administrative structure; and to ensure safe conditions for the conduct of free, honest, democratic elections, to be held in the country as soon as possible.

The State Council explained that when it realized it could not support the politics of the provisional government, it joined with the civilian population to cast a vote of no confidence in the executive. This did not create conditions conducive to an easy democratic transition. For six more weeks, the executive, in collaboration with several ministers, continued to work illegally.

The Provisional Electoral Council, with the support of many political, religious, social, national, and international organizations, took it upon itself to initiate the electoral process. The State Council, remaining faithful to its mission, continues to provide support to the electoral process. This support, however, requires the fulfillment of certain conditions.

The State Council demands security, and more importantly, justice as it relates to the murders of former State Council member Villard and unionist Montes, and with respect to the cases of former Ministers of Interior Lafontant and Regala; and files of the leaders of political sectors.

The last word lies within the conscience of each citizen who, as an adult, will freely choose the road he or she will travel. Each person must take responsibility for the consequences that such a choice will bring, whether it be violence or crooked dealings. The State Council is still faithful to its commitment, and therefore stresses to the people that its sole guide should be the interest of the nation, and respect for the people's will.

RDC, Volel Advocate Election Boycott

*FL0810152590 Port-au-Prince Radio Soleil
Network in Creole 1300 GMT 5 Oct 90*

["Excerpts" of a report by Raymond Clerge on the news conference held by the Christian Democratic Assembly [RDC] leader Eddy Volel, in Port-au-Prince on 4 October—recorded]

[Excerpts] [Passage omitted] [Clerge] The RDC has said "no" to the upcoming elections and has asked the people not to register. Party leader, Eddy Volel, outlined RDC position at a news conference held at their headquarters located on Chavannes Street on Thursday, 4 October. According to Volel, serious elections are not possible in Haiti at this time. Volel provided several reasons to explain this stand.

First of all, the Provisional Electoral Council [CEP] requires from the presidential candidates an amount of money that precludes any chances for a candidate of the people. What other candidate can provide the money the CEP requires, aside from the candidates who plunder the country through either illicit drug trafficking or smuggling?

The RDC says: Enough is enough! The statements made by some candidates who call themselves "Mr. Clean" [reference to Marc Bazin, labeled "Mr. Clean" following the decisions he made as a Jean-Claude Duvalier finance minister in the early 1980's] clearly show how ready foreign governments are to rig the elections. The RDC claims, based on the insecurity problem and the conflict between Mrs. Trouillot and the State Council, that the current government cannot hold elections. Volel has not hesitated to point an accusing finger at the two-faced candidates who are the enemies of the people. [passage omitted]

Journalist questioned Volel on why his party has said it is not going to participate in the elections. Is it because his party does not have the money? Volel answered that the people have always sided with the RDC. The RDC does not want to send people to be slaughtered.

[Volel] To save Haiti, the representation of the majority of the people in the government is more important than elections. We need a government chosen by the majority of the people. As long as elections are rigged and manipulated, the majority of the people will still remain in extreme poverty. They will never choose their ministers, their deputies, and their senators. They will never be able to choose the president. The country will not progress as long as the president continues to appoint macoutes, crooked wheeler-dealers, thieves, and plunderers as ministers, consuls, and ambassadors. We maintain that the people must boycott the government and the elections. This would result in a provisional government that would be forced to give the people the satisfaction that they need, and which they have been looking for since 7 February, 1986. (?May conflicts) in Haiti come to an end!

[Clerge] We remind you that among all the political parties that previously said they would not go to the elections under the current government, the RDC is the only one that upholds its decision.

Jamaica

Perez Announces Venezuelan Oil Aid Package

*FL0510190090 Bridgetown CANA in English
1715 GMT 5 Oct 90*

[Text] Kingston, Jamaica, Oct 5, CANA—Venezuela will finance 30 per cent of Jamaica's oil bill for the duration of the Persian Gulf crisis, visiting President Carlos Andres Perez announced here Thursday night. This represents a modification in the San Jose Accord between Venezuela and Mexico under which Jamaica and other Caribbean countries may purchase oil on concessionary terms. Under the accord, part of the oil bill is converted into a soft loan for developmental projects.

The Venezuelan leader made the announcement during a press briefing after talks with Jamaica's Prime Minister Michael Manley. Under the concessions, Jamaica will pay a reduced sum up front for its oil bill and the rest of the cost will be converted to a soft loan with long term repayment conditions. Perez said Venezuela had added special provisions to the San Jose Accord to reduce the effect of the current Persian Gulf crisis on the economies of the countries benefitting from the Accord. These include Barbados, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and the Dominican Republic.

Perez had also asked the United Nations to convene a meeting of oil producing nations with the objective of finding an agreement to ensure that steep oil prices are

contained and developing nations guaranteed supplies. The economic crisis facing Caribbean and Latin American countries will be the subject of talks when the Rio Group meet on October 11 this year. The Rio Group (including Colombia, Brazil, and Mexico) will be trying to find ways of cooperating with other countries in the region so as to face the challenges of a changing world economy.

Perez said the current oil crisis presented a great challenge to the countries in the Latin American and Caribbean region. He called for the strengthening of regional ties to cope with the oil crisis. He expressed concern for those countries in the Third World faced with spiralling debts compounded by the rising costs of oil.

St. Lucia

Tropical Storm Klaus Damages Banana Crop

FL0510180990 Bridgetown CANA in English
1611 GMT 5 Oct 90

[Text] Castries, St. Lucia, Oct 5, CANA—St. Lucia on Friday estimated a near 3 million dollar loss to its vital banana industry after a pounding by Tropical Storm Klaus. Klaus, later upgraded to a hurricane, also damaged homes in the fishing village of Anse-la-Ray, east of the capital, Castries.

St. Lucia Banana Growers Association spokesman Free-mont Lawrence put the damage to the banana industry at 2.5 million dollars (one East Caribbean dollar = 37 U.S. cents). He calculated 15 per cent of the banana industry had been destroyed or damaged by high winds and heavy rains associated with Klaus on Wednesday and Thursday.

The damage, he said, was mainly on the west coast, the main banana-growing area. Bananas are St. Lucia's main foreign exchange earner. The country produced 85,000 tonnes last year and this year expected a 5,000-10,000-tonne increase.

Officials here said that in Anse-la-Ray, villagers had to be evacuated from flooded homes. With their foundations weakened by the water, some houses collapsed. Thirteen persons were taken to the Anse-la-Ray Hospital with minor injuries.

Trinidad and Tobago

Robinson Urges International Crime Controls

FL0510141490 Bridgetown CANA in English
2246 GMT 4 Oct 90

[Text] United Nations, Oct 4, CANA—With more and more countries turning to democratic forms of government, Trinidad and Tobago appealed on Thursday for greater international cooperation to prevent any undermining of basic freedoms and to help eliminate criminal activity.

Citing the recent bloody coup attempt in his country, Prime Minister Ray Robinson, in an address to the U.N. General Assembly, urged greater international and regional cooperation in the area of security. He also renewed his proposal for an international criminal court. At the same time, the prime minister backed Haiti's plea for help in its efforts to hold free elections in December, condemned Iraq's invasion of Kuwait, and said more needs to be done to reverse the economic decline in developing countries.

"As freedom enlarges and expands, and more democratic systems are established, notably in Eastern Europe, but elsewhere as well, new issues of security are certain to arise," he told heads of state, foreign ministers, ambassadors, and other diplomats in the assembly hall.

"We need to address this question of security on two fronts," he suggested. "It is essential that there be the fullest collaboration among states at the regional and international levels in the investigation, prosecution, and elimination of serious crimes." Robinson said that the recent coup attempt in his country was an example of the problems that were linked to "criminal activities" and confronted developing countries.

"The spread of democracy and open societies adds a new urgency to collaborative measures which must be taken by the international community to contain these criminal acts," he said. "The most pernicious manifestations of international criminal activity, including the illicit traffic in drugs and terrorism, continue even as we enter this United Nations decade of international law," he went on. "Governments of large and small states are becoming increasingly aware that international criminal activity is not only lucrative, efficient, and resilient, but is also resistant to control measures."

Focusing attention on the recent events in his country, Robinson stated that Trinidad and Tobago's democracy was "imperiled in a most extraordinary manner" by the coup attempt which left two dozen people dead.

"A new breed of fanatics claiming divine inspiration, but acting rather under satanic impulse, blew up our police headquarters, shot their way into our Parliament, held the prime minister, ministers, parliamentarians, and other citizens at gunpoint, bound them hand and foot, inflicted torture, shot the prime minister in a leg, caused several fatalities, and held all under threat of death," he said.

"This small, but rash and reckless band of adventurers seized the only television station, committed and instigated other sundry acts of damage and disorder while its leader proclaimed a new government without a single, intelligent clue as to what to do thereafter."

Robinson paid tribute as to the positive reaction of his Caribbean neighbours as well as Venezuela and other hemispheric states which "responded in the crisis—to our need for food, medical, and other essential supplies."

Stating that the upcoming trials of those accused of taking part in the attempted coup posed a serious challenge to his nation's security and legal system, he declared that it was time for an international criminal court to handle such cases. "We are convinced that an international criminal court will enhance and strengthen the capacity of the international community to deal with international crime," added Robinson.

Turning to other matters, the prime minister said he was hopeful that despite "growing tensions and instability" in Haiti, that led to the postponement of the registration process and of elections, free and fair elections would be held.

In addition, he also condemned Iraq for its invasion of Kuwait and called for the restoration of Kuwait's independence.

Opposition Head Condemns Treaty With Venezuela

FL0510210090 Bridgetown CANA in English
2031 GMT 5 Oct 90

[Text] Port of Spain, Trinidad, Oct 5, CANA—Leader of the People's National Movement in Trinidad and Tobago, Patrick Manning, has criticised a marine delimitation treaty with Venezuela and warned that he will use the courts to prevent its ratification. "The treaty, we believe, is against the national interest and there are two major areas that concern us," Manning said. "One is the ceding of approximately 2,000 square miles of territory to Venezuela and the second is the right of transit that the treaty now accords to Venezuela in the waters between Trinidad and Tobago," Manning told reporters on Friday.

He said the signing of the treaty has given "tacit approval" to a Venezuelan claim to a significant portion of Guyana's territory. Manning said he was consulting lawyers here to find avenues to prevent the ratification of the treaty which was now before the Venezuelan Congress.

He said the government has not provided an assessment of the potential loss of resources if the treaty comes into force. Manning said the agreement would force Trinidad and Tobago to lose large stocks of fish, submarine minerals and hydrocarbon resources. He accused the government of being "scrupulously silent" on the alleged benefits which will accrue to the country in return for "handing over a slice of patrimony".

Energy Minister Discusses Oil Production

FL0810164590 Bridgetown CANA in English
1524 GMT 8 Oct 90

[Text] Port of Spain, Trinidad, Oct 8, CANA—Trinidad and Tobago is focussing on strategic planning for future growth and development of the energy sector and is not placing reliance on gains from increased oil prices, says Energy Minister Hubert Atwell.

"...Our projections for future viability are predicated on assumptions other than on windfall revenues from oil," he said at a function Saturday night.

He said the projections were based on plans for improving the marketability of product from the country's upgraded refinery, for exploring deeper horizons in the search for petroleum, on using natural resources wisely, and on developing human resources.

"We must place our reliance on strategic planning for our future growth and development and not on gains from increased oil prices that may be temporary," Atwell said.

Costa Rica

Nationwide Strike Protests Economic Policies

PA0510133490 Mexico City NOTIMEX in Spanish
1035 GMT 5 Oct 90

[Text] San Jose, 5 Oct (NOTIMEX)—The government of Costa Rican President Rafael Angel Calderon Fournier will face today the first nationwide 24-hour strike called by the Permanent Council of Workers [CPT] to protest the government's economic policy.

Calderon Fournier promised, meanwhile, that there would be no further economic adjustments and that the IMF "will not demand greater sacrifices" from the country.

Public utility, hospital, and school workers and workers in public offices announced their decision to join the strike in demanding rectification of the economic policies and the severe adjustments imposed by the current government since it assumed power last May.

The government has said that it is "not advisable" to adopt a forceful position and that it will not declare the strike illegal.

President Rafael Calderon said that he would not make additional economic adjustments and that the IMF "agrees not to overburden the internal costs of cleaning up public finances."

Calderon added that in talks held with IMF Director Michel Camdessus, "he wanted greater adjustments, but I told him that they could not be made because we have already asked the people for too much."

Calderon added that no later than 10 October a one-year standby agreement will be signed with the organization, which includes commitments to reduce the public deficit, privatize public companies, and reduce public expenditures.

The government has 170,000 employees on its payroll, of which more than half, about 100,000, said they would heed the strike call in demanding a suspension of the increase in the price of staples, public service rates, and inflation.

The transportation, business, and private sector will not join the strike.

Communication, port, government, university, and public school workers will take part in staggered strikes, while other groups, such as taxi drivers, nurses, and health workers have decided to go on a symbolic strike to join the general protest.

CPT leader Kenneth Gonzalez has said that the strike is to demand that the cost of the economic adjustments be shared among all Costa Ricans and not "just at the expense of wage earners."

The CPT consists of six labor unions with 100,000 members, and its greatest strength lies in the public sector because the labor union movement in the private and business sector is small.

Employees and students from the national university gathered in front of the Presidential Palace yesterday and criticized the Social Christian government for not fulfilling its election campaign promises to favor the least protected groups in society.

Union Workers Claim Success

PA0610125690 San Jose Radio Reloj in Spanish
0105 GMT 6 Oct 90

[Text] Between 50,000 and 100,000 people attended a rally at the Plaza de la Democracia. Although the event was scheduled to begin at 1600, members of the Permanent Workers' Council [CPT] started to arrive in groups half an hour later. Members of worker federations and cooperatives, peasants, and bank officials flocked to the Plaza de la Democracia to demonstrate to the government that the workers are strong when they are united. The strongest unions, SIMA [not further expanded], CUT [United Workers Federation], ANDE [not further expanded], AFTE [not further expanded], Rerum Novarum, ANEP [National Association of Public Employees], and their affiliates showed the government that the people are fed up with the high cost of living, union leader Joaquin Llorente said. With placards alluding to the high cost of living, child care, the university budget, and the search for social peace, hundreds of demonstrators expressed support for the CPT. Government plainclothesmen were scattered among the demonstrators to handle any problems that may have arisen.

As union leaders attracted the attention of the demonstrators, a helicopter overflew the scene. Also reported present was a vehicle with loudspeakers blaring such slogans as: "People united will never be defeated" and "We will not yield." The majority of the songs sung mentioned the workers' struggle to survive and pointed out the people's dissatisfaction. Estefano Arias, a member of SIMA and CPT, said afterward that the rally was just one measure they have taken and that the Costa Rican people went to the rally to express their great dissatisfaction with the government's economic measures. He also said that they will continue to negotiate with the government over the next few weeks and that they expect to reach a satisfactory understanding. If the non-payment problem at universities and other government institutions is not resolved, the unions will take stronger measures, such as paralyzing direct social service institutions for an indefinite period of time.

In government institutions and educational centers, the work stoppage lasted from 0600 to 1800, Joaquin Melendez said. At the universities, the employees only punched their time cards. It was in the ministries where most of the [demonstrating] employees worked, the union leader said. At noon, officials in state banks and other government institutions enjoyed performances by

musical groups, which encouraged them to attend the great CPT rally being held at the Plaza de la Democracia. As for the universities, union members succeeded in stopping all lectures and at strategic points gathered students and administrative employees to urge them to continue the struggle for the university budget.

President Rafael Angel Calderon stated that according to reports received from throughout the country, there was only a partial work stoppage in the public sector. He said that the government guarantees public services and added that at each public institution and agency a list of the workers who failed to work was prepared. Whoever joined the strike will see their salaries cut because those who do not work should not be paid, the president said. Appealing to the workers not to take part in the work stoppage, Calderon said that arbitration cannot continue because it is ultimately financed by all the Costa Rican people. The people cannot stand any more taxes. We cannot impose more and more taxes every year and force the people to defray the cost of the arbitration, the president said. He also said that if Costa Rica were a wealthy country, he would be happy to give the public workers more and more benefits. The country, however, is poor, and it is necessary to live according to reality, he pointed out.

If the workers continue to exert pressure at public institutions, Labor Code regulations, which could mean even dismissal, would be enforced. The president said that enforcement of Labor Code sanctions is up to each public institution. Each public institution was instructed to make a list of the workers who stopped working and, with two witnesses, draft a document to apply the corresponding sanctions as stipulated by the Labor Code.

El Salvador

Cristiani Discusses UN Trip, Peace Process

PA0610180590 San Salvador Domestic Service
in Spanish 2144 GMT 4 Oct 90

[News conference by President Alfredo Cristiani with local and foreign reporters and unidentified moderator, at the Presidential Palace in San Salvador—live]

[Excerpts] [Cristiani] [passage omitted] I want to briefly comment on my recent trip to the United Nations, particularly—as we said shortly before our departure—because one of the most important objectives was to meet with UN Secretary General Javier Perez de Cuellar to discuss the progress that has been achieved in the peace process being carried out under his sponsorship.

We believe that it is necessary to adopt measures to vitalize the process; in other words, to accelerate the current pace of the process. We had the opportunity to discuss some mechanisms with the secretary general. He and Dr. Alvaro de Soto agreed to consult with the FMLN [Farabundo Marti National Liberation Front] to see if

the latter is willing to accept the mechanisms to vitalize and accelerate the peace process, which we believe is possible.

We have yet to receive information about the endeavors of the secretary general and his representative, so we are now somewhat limited, meaning we cannot comment on the mechanisms that we discussed because this must be held in reserve until the FMLN is consulted to see if it accepts.

Likewise, everyone knows that I presented a proposal at the UN General Assembly on behalf of the Salvadoran Government. The objective of that proposal was to give the Salvadoran people evidence of goodwill on the part of both the FMLN and the government, in the sense that we are already committed to the peace process. Consequently, the Salvadoran people have the right to demand that the violence in the country ends as soon as possible.

Before we made a unilateral announcement about a cease-fire, the Costa Rican Government's representative had referred, in his address to the UN General Assembly, to the appeal that the Central American presidents have issued on several occasions to the FMLN. They see the conflict, violence, and terrorism in El Salvador as no longer justifiable, and call on the FMLN to stop all of its violent actions and sit down at the negotiating table with goodwill. We will thus be able to reach an agreement that allows its members to join the country's civilian, legal, and democratic life. [passage omitted]

Besides, we believe that to be better able to advance the peace process, we must create a proper climate. We believe that violence only generates confrontations and more inflexibility. This does not agree with what we all want as a final result of this peace process. We believe that in no way can this be interpreted as wanting to change the rules of the game outlined in the Caracas Agreement, as has been implied by some detractors. This might be a goodwill signal unilaterally [as heard] agreed upon by both the FMLN and the government. It would enter into effect when both parties unilaterally agree to begin. It would be a strictly temporary measure, while we continue to seek political agreements that lead, as stated in the first objective of the Caracas Agreement, to an end to armed confrontation, to be verified by the United Nations.

A few moments ago we learned that the FMLN has rejected the proposal. We deeply regret that they are not showing the Salvadoran people a sincere and real desire to find a peaceful solution in preventing more bloodshed and destruction in El Salvador.

This does not discourage us, however, from continuing to seek by all means our country's cherished goal—peace and tranquility. We will continue to try to strengthen the process as much as we can, to reach a solution as soon as possible.

We also held a meeting of the Central American presidents. President Cerezo was the only one absent. It was

explained that he could not leave Guatemala, so he sent his foreign minister. The meeting dealt almost exclusively with preparations for the next summit meeting scheduled for December in Costa Rica. The delegates streamlined mechanisms so that the different commissions assigned to develop the agreements reached at the last meeting in Antigua, Guatemala would have concrete proposals for the presidents to analyze, and so that Pacca [Economic Plan for Central America] could take effect.

I believe that the Central American presidents' willingness to seek Central American unification was once again clearly expressed at that meeting. I was greatly pleased, because one of our goals is to seek Central American integration, creating an economic community that would allow us to develop, not just economically, but socially and politically as well.

We also agreed to ask the United Nations to extend the ONUCA [UN Observer Group for Central America] mandate so that it can continue its task after 6 November in Central America. It could make even greater efforts to address the Salvadoran problem and the continuous flow of weapons to the FMLN. [passage omitted]

There was also concern—as we all know—about the progress made in the legal proceedings concerning the murder of the Jesuit priests. We reported the latest developments in the case. Specifically, we mentioned a joint invitation made by the president of the Salvadoran Judicial Branch and the president of the Republic to a panel of qualified and completely impartial jurists to come to El Salvador not only to study the case per se, but to conduct an audit of the legal process on the murder of the Jesuit priests and to make recommendations to the Salvadoran Judicial and Executive Branches regarding the proceedings of the entire system for the administration of justice in El Salvador in cases of this nature. We are pleased to announce that one of those jurists has accepted the invitation and we are expecting, through the Foreign Ministry, the replies of the other two jurists. [passage omitted]

[Moderator] Mauricio Burgos, Radio Horizonte.

[Burgos] Mr. President, it seems as if the cease-fire was expected in September based on mutually agreed upon terms, meaning compliance with political agreements. In this case, what encouraged you, knowing that no agreement was achieved by 15 September, which indicated that the FMLN's reply would be more or less under those terms? What prompted you to make such a proposal? In this case the FMLN's reply somehow reflects the situation that prevailed before 15 September.

[Cristiani] First, we believe that under no circumstances could or should the Salvadoran people continue to withstand the violence and terrorism in our country. Even though it is true that no agreement was reached by 15 September, based on political agreements that would eventually lead to a verifiable cease-fire, we based our position on the fact that violence is no longer justifiable

in the country and a serious peace process is currently underway. It would be most logical for both the FMLN and the government to state their willingness to favor the Salvadoran people with peace and tranquility.

Also, bilateral action could be undertaken through mutual agreement, as was proposed by the Costa Rican Government at the United Nations and as has been suggested for some time by Latin American presidents, among others.

We believe that the peace process is valid, as we have said before. If we have not reached the goal on the date previously set or agreed upon—15 September—it is because the FMLN has been pursuing its own agenda and not the agenda agreed upon in Caracas. In this regard, we do not think it is fair that the FMLN, with its own agenda, continues to promote violence and the destruction of an entire nation in pursuit of their own benefit.

Taking this into consideration, at this point in time we present our proposal to see if the FMLN is truly committed to the peace process in El Salvador, if the FMLN is in favor of offering the Salvadoran people an end to violence. Unfortunately, we have just learned that the FMLN has rejected this proposal, although we do not know the specifics.

This neither violates nor replaces the agreements signed in Caracas. The government is willing to continue with the peace process and to continue to discuss the main issues to reach political agreements that lead to the end of the armed confrontation, which should be verified by the United Nations.

We believe—perhaps someone here can give me a reason why the Salvadoran people should continue to experience terrorism and violence. I would be willing to listen—there is absolutely no reason, however, for the Salvadoran people to continue to suffer the consequences of terrorism and violence. This is what has motivated the government proposal. In addition, the peace process itself could benefit if we conduct it within an atmosphere other than that of violence and confrontation. Violence and confrontation usually make it difficult to reach agreements within the peace process. Sometimes those two elements have even caused confrontation at the negotiating table. If there is indeed good faith and a firm determination to attain peace—which is what this proposal was seeking—we believe it is logical to try to create an improved atmosphere for better development of the peace process. We have been unable to fulfill the first commitment of the agenda agreed upon in Caracas, perhaps because the peace process is not being conducted within an appropriate atmosphere. Our proposal could create a more favorable atmosphere to reach political agreements that lead to a verified cease-fire as soon as possible.

[Moderator] (Rosa de Leiva) from Radio La Maxima.

[(De Leiva)] [Words indistinct] groups of delegations that have been traveling mainly to the United States, especially UNOC [National Union of Christian Workers] members and representatives of some political parties [five-second break in reception] from the opposition to the current government. What do you know about those trips? Will they succeed in convincing the United States not to cut off aid completely?

[Cristiani] I have not [three-second break in reception] living in a free country and each person [two-second break in reception] in a way that suits them best [three-second break in reception]. If there is an aid reduction or elimination of assistance [three-second break in reception] in some way [five-second break in reception] that to a certain extent they are placing certain party interests or ideology above the interests of the Salvadoran people in general. If aid to El Salvador is cut somehow, already scarce resources will obviously have to be used, under some circumstances, at the expense of some programs. Such a cut would only produce a bigger fiscal problem in the country and would impede more and better services in El Salvador. In some cases, a cut in aid could obstruct commercial relations with countries and create serious problems for the productive sector. [passage omitted]

[Moderator] Ernesto Marroquin from Teleprensa.

[Marroquin] Mr. President, I have two questions. One is on the human rights verification commission. Apparently you have asked that it come to the country before the cease-fire. I would like to know the UN response to this request. The second question is on the Jesuit murder case and on the legal advisers. Many groups in the country have said that their presence here will hurt the country's judicial system because they do not believe people from other countries should come to advise the courts. How do you view this matter?

[Cristiani] First, regarding the human rights verification commission, the government made a request to the United Nations and this process is under way. The Security Council has accelerated the process to install an office in El Salvador that will not only be tasked with verifying human rights agreements, but also verifying a possible cease-fire and observing the next elections. The United Nations have already initiated procedures to establish an office in El Salvador and such procedures continue.

As for your second question, I do not believe that anyone can deny that many groups, or at least some groups, both inside and outside of our country are questioning the administration of justice here. I do not personally believe that we are moving away from possible reform or whatever may be necessary to improve the administration of justice. I do not believe we are putting aside locals for foreigners. They come to supplement the work done here. Internally, the Supreme Court, which has conducted several seminars, is working. The Inter-Party Commission, which appointed a subcommittee to work on the administration of justice, is also working. It has national lawyers who represent the different political

groups in the country, and they are making their analyses. We in the executive branch must also analyze how to improve the administration of justice. I do not believe that at any time the advice or suggestion of someone from abroad, someone who comes to supplement our actions and not to replace them, is a bad idea.

There will always be advisers or people who may live abroad. The country has advisers in all the different branches—agriculture, energy, etc. There are a huge number of problems in our country, and we have to think about ways to solve them. I do not believe that this should be seen as a replacement for our internal capability to try to improve the administration of justice in our country, but it is not a bad idea to listen to opinions that come from experts and jurists of proven capacity from abroad. With this statement, I want to explain that the president of the Supreme Court has agreed to the idea and signed the invitation because he believes, and we believe, that, as a supplement, they can be very useful to our country, especially in the administration of justice.

[Moderator] Antonio Mineros, EL DIA.

[Mineros] Mr. President, I would like to ask you to explain the cease-fire proposal you have made. The government expects the FMLN to cease fire first, then government troops would follow suit. This could require a meeting between government and rebel delegations to establish the cease-fire procedures. Also, regarding the FMLN—whom we understand already has replied to this proposal—we have read in an international press dispatch that the FMLN is going to respect the agreement signed in Geneva, which established that prior to the cease-fire the political issues on the Caracas agenda must be resolved.

The dispatch states that your proposal, which was made public at the United Nations, is not addressed to the FMLN, but to the U.S. Congress, to impress them with a master stroke so as to obtain military aid. This would have us believe that this is only a propaganda ploy by President Cristiani, as Clandestine Radio Venceremos has said. Mr. President, I would like you to explain how this cease-fire is going to be carried out and if the government could be first, followed by the FMLN?

[Cristiani] This would not be the first time that these proposals have been made or that the issue has been mentioned to the FMLN. I believe that what must prevail here is that each side must have the will to suspend all offensive tactics—that is, the FMLN must cease all the acts of violence, terrorism, etc. in which it is constantly engaged. Of course, on the part of the government, the Armed Forces would suspend all offensive activity. This does not mean that the forces will be restricted to their quarters, but that offensive or counter-rebel actions, as they are called, against the FMLN would cease.

We were prompted to make this proposal for the aforementioned reasons and to give greater assurance to the

Salvadoran people that the FMLN and the government are committed to the peace process. [passage omitted]

[Mineros] Mr. President, during your tour, what impressions did you get from the members of the U.S. Congress in your talks with them. Is it probable that the military aid will continue as always, or, as has been greatly speculated, will there be a cutback in the aid?

[Cristiani] First, I did not hear anything about aid cuts in any of the proposals that were being debated—that is, cuts or lowered amounts—but rather that a percentage of the aid would be withheld until certain conditions are met. In this regard, if the FMLN does not fulfill its pledges, the aid would be restored to 100 percent. This is the mechanism that has been established so far.

Our position—and we want this message to be heard loud and clear in the United States—is to favor the end of violence. We also believe that the currently established structure leaves room for significant violence. We do not think that any violence at this stage of the game is justified, particularly because there is the possibility that if we in act in good faith—and of course the government has been—regarding a serious, permanent peace process, there is no reason for more violence. Even the FMLN has committed itself before the United Nations not to abandon the negotiating table. [passage omitted]

[Moderator] Cecilia Acosta, of the International News Agency has the floor.

[Acosta] Mr. President, I would like to ask you about relations with Europe, specifically with the EC. Have you observed that assistance to El Salvador has diminished? If so, is this due to the events that have taken place, or the forthcoming unification? Have you noticed any other issues that concern relations with the various countries of the EC?

[Cristiani] I believe that relations with the EEC have progressed normally. Some programs have continued, others have been halted. There prevails in Europe an attitude of helping the region, and not individual countries, although there are small individual programs. We have learned that some European countries are concerned about the legal proceedings connected to the Jesuit case. We have explained how this case is being handled and the progress that has been made.

There has not been a refusal, however, on the part of the Paris Club or the European countries with which El Salvador has debts. They are also willing to refinance. In other words, relations have continued.

[Moderator] Are there any more questions? If not, then we will conclude. Mr. President, thank you very much. We also thank the journalists for their time.

FMLN Adviser Responds to Cristiani UN Speech

PA0510174190 San Salvador EL MUNDO in Spanish
2 Oct 90 p 32

[Report by Rene Hurtado]

[Text] Former Army Captain Francisco Mena Sandoval, military adviser to the FMLN [Farabundo Marti National Liberation Front] Dialogue Commission has said: "The FMLN General Command will analyze President Cristiani's proposal at the United Nations offering a unilateral cease-fire."

President Cristiani said yesterday at the United Nations that his government "is willing to declare a unilateral cease-fire put into effect as soon as the FMLN makes the same decision."

Mena Sandoval, who is in Mexico, was interviewed by a local station and said "it is strange that President Cristiani tried to commit himself today before the United Nations when we have been dealing with these matters at the negotiating table for a long time, during long meetings, and with all our political resolve."

Mena Sandoval believes that "President Cristiani lied and tried to deceive the United Nations instead of admitting that he has for a long time had the political responsibility of calling for concrete negotiations, but failed to assume it."

The guerrilla commander said that "to apply pressure for a unilateral cease-fire at this time would only slow down the negotiation process between the two parties under UN mediation. I believe that Cristiani is pursuing obscure objectives with this position, because he should have expressed his clear political determination to resolve the conflict at the negotiating table."

In his message, Cristiani stated that this government position "is intended to ensure that negotiations will take place amid an atmosphere of detente and trust, and above all, to give the people strong evidence of the two parties' political resolve."

Finally, Mena Sandoval said that "the United States, as part of this conflict, should clearly define its policy regarding this to ensure that the war that is afflicting our country will indeed be halted."

PCN [National Conciliation Party] Deputy Hugo Carrillo said that "it does not come as any surprise that President Cristiani took advantage of his presence at the United Nations to make this proposal. Let us not forget that at this forum President Duarte also urged the FMLN to participate in a dialogue on 15 October 1984 in La Palma. Carrillo quoted David Escobar Galindo, a member of the government delegation, as saying that at the negotiating table "there were tactical and strategical maneuvers designed to obtain favorable positions for each of the parties involved. The people should know that there are tactics and strategies at play in the negotiations."

Carrillo added that "the FMLN should not rule out this proposal, but ascertain whether it is in keeping with the agreements reached in Geneva and within the framework of the negotiations."

Parties View Cristiani UN Speech

PA0610191590 San Salvador EL MUNDO in Spanish
4 Oct 90 p 3

[Report by Rene Hurtado]

[Text] Dr. Guillermo Manuel Ungo, a member of the Democratic Convergence coalition, referring to the Salvadoran president's cease-fire proposal before the United Nations, said: "President Cristiani is a millionaire, but a philanthropist he is not. He wants everything for free by asking for a cease-fire and offering nothing in return." Cristiani proposed a unilateral government cease-fire, providing the FMLN [Farabundo Marti National Liberation Front] does the same, before the Army stops its warring activities.

For most of the political parties incorporated into the opposition Inter-Party Commission, Cristiani's proposal "is no solution to war in El Salvador and does not guarantee any lasting peace." The Inter-Party Commission is currently visiting Washington, guests of the U.S. Government, to discuss with the State Department, Congress, and other U.S. Government sectors "the advances in democracy over the past 10 years."

According to PDC's [Christian Democratic Party] Gerardo Le Chevalier, "the Geneva accords establish dialogue and negotiation procedures" and both the PDC and the Salvadoran people believe that to attain peace in El Salvador one must wipe out the causes of war." [quotation marks as published]

For the UDN's [National Democratic Union] Mario Aguinada Carranza, "the unity of all political parties under the Inter-Party Commission to attain peace is historic. All political groups are interested in ensuring a massive election turnout, motivating reforms, and attaining peace."

The MNR's [National Revolutionary Movement] Rene Flores, another Inter-Party Commission member in the United States, stressed that Cristiani's proposal "contributes little or nothing toward peace and democracy if political and democratic liberties are not guaranteed."

Arena's [Nationalist Republican Alliance] Roberto Angulo has insisted that the FMLN reply to President Cristiani's proposal by also decreeing a cease-fire. Dr. Jose Francisco Guerrero, who is also part of the delegation of political leaders said the same thing.

MAC's [Authentic Christian Movement] Dr. Guillermo Antonio Lacayo, said that "the ideal thing would have been a cease-fire from the dialogue's outset, but this could not take place due to mutual mistrust."

The Permanent Committee for the National Debate [CPDN] had the same thing to say when commenting on the government's unilateral cease-fire proposal.

Cristiani Blamed for Possible U.S. Aid Cutback

PA0610235390 San Salvador DIARIO LATINO
in Spanish 3 Oct 90 p 3

[Text] Democratic Convergence [CD] Leader Guillermo Manuel Ungo said today that President Alfredo Cristiani will be mostly to blame if the U.S. Congress reduces its aid to El Salvador.

The politician believes that the Salvadoran opposition is not responsible for a reduction in U.S. aid. According to Ungo, the Salvadoran President's lack of ability and action is evident and is "increasingly disappointing."

The CD leader is of the opinion that Cristiani plays along with the most radical rightists. This is made very clear, Ungo said, with the case of the Jesuit priests. The priests' murder occurred 10 months ago, and investigations are advancing "very slowly." He added, however, that Cristiani says we must be patient.

These are the real reasons that could make the United States cut off its aid to our country, not because of any of the Salvadoran opposition's actions, Ungo asserted.

Regarding the unilateral cease-fire proposal, Ungo noted that the offer is a return to the position held by the previous regime that was criticized by Cristiani and Arena [Nationalist Republican Alliance]. The politician noted that the proposal is nothing more than an evasion of the agreements signed by the government and the FMLN [Farabundo Marti National Liberation Front] in Geneva. These agreements stipulated that political agreements had to be reached before a cease-fire was established.

"Cristiani is jumping over obstacles because he does not even have the power to abide by the agreements signed by his delegates in Geneva," Ungo said.

Ruben Zamorra reported that the CD has started to help with voter registration to increase the amount of people eligible to vote in the next elections. Zamorra noted that the problem of a lack of documents must be solved to get more people to participate in the elections. Many repatriated and undocumented Salvadorans are currently living all over the country, he added.

The CD member is of the opinion that the bill presented by the repatriated sector to the Legislative Assembly is important and that the assembly must approve the bill to increase the number of voters in the country.

Effects of Possible Reduction Viewed

PA0710165090 San Salvador Canal Doce Television
in Spanish 0300 GMT 3 Oct 90

[Text] Deputy Revenue Director Jose Alberto Diaz said today that a cut in U.S. military aid, would not affect the Defense Ministry. The deputy minister said that this statement is supported by the fact that a majority of the defense sector programs are subsidized by the national budget.

[Begin Diaz recording] We do not believe that operation of the defense sector per se will be affected. The defense sector has programs that must be carried out, as well as normal operational plans which we financing. Furthermore, we are not even financing this through the budget. It is very important that this be known. I am talking about salaries, food, uniforms, and the fuel that the defense sector uses. [end recording]

For the next fiscal year, the Treasury Ministry has increased the budget for this sector by approximately two percent, due to other expenses that came up in education and with the foreign debt. Regarding the 4.4 billion-colon budget, 1.7 colones of this is basically financed through official stamp fees.

[Begin Diaz recording] Regarding income taxes, we have increased revenues to 840 million colones, and revenues from import fees have increased to approximately 800 million colones; we collect lesser amounts from estate and inheritance taxes. Further down the line, we collect a scarce 326 million colones from coffee exports. [end recording]

To conclude, the minister said that since the import tariffs were reduced, imports have been bolstered and contraband has decreased.

FMLN on Detention of ONUCA Delegates

PA0510174290 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 5 Oct 90

["Press Bulletin" issued by the Farabundo Marti National Liberation Front, FMLN, on 4 October]

[Text] FMLN Press Bulletin:

1. Yesterday, 2 October [date as heard], a delegation of high-ranking officers of the UN Observer Group in Central America [ONUCA] entered Perquin, in Morazan Department. They were interested in visiting the border area of Sabanetas, Morazan Department.

2. According to what was agreed upon with the United Nations, any ONUCA movement in areas of conflict or in areas under FMLN control should be previously cleared and coordinated with the FMLN to guarantee that any decision will be made with the highest degree of responsibility regarding the safety of the ONUCA personnel.

3. On this occasion, the FMLN was not consulted with on the ONUCA visit to the area, and for that reason the FMLN did not allow the ONUCA delegates to visit the border area of Sabanetas.

4. The ONUCA delegation explained that the Salvadoran Government does not admit the existence of any areas controlled by the FMLN and consequently authorized the members of the delegation to travel throughout the country.

5. We describe the government's attitude as an irresponsible provocation that risks the lives of the ONUCA personnel because, in view of the war, there are FMLN

and Armed Forces military operations, permanent military devices, deployments, and border incursions by the Honduran Army in the aforementioned areas.

6. We urge the contingent officers and members of ONUCA to keep in mind the mechanisms agreed upon by the FMLN and the ONUCA chiefs.

[Signed] FMLN

[Dated 4 October 1990]

ONUCA Denies Incident With FMLN

PA0610220290 San Salvador Canal Doce Television in Spanish 0300 GMT 6 Oct

[Text] A group of military ONUCA [UN Observer Group in Central America] observers today denied an FMLN report that an officers' mission, which visited the border between El Salvador and Honduras, in Morazan Department, had trouble circulating in the area. Misel Rivero, an ONUCA spokesman in Honduras, said there was no such incident and that the mission arrived without any difficulties in the Sabanetas region to conduct a routine patrol mission to verify compliance with the Central American peace agreements. The FMLN said today that on 2 October it did not allow an ONUCA group go to Sabanetas because it had not been previously consulted regarding the mission's movement in the region. In a communique read today by Radio Venceremos, the guerrillas warned ONUCA that every movement by the peace forces must be consulted and coordinated ahead of time with the rebels.

Prelate Calls for UN Commission on Human Rights

PA0810233290 San Salvador Canal Seis Television in Spanish 0030 GMT 8 Oct 90

[Passages in italics are recorded]

[Text] The metropolitan Catholic Church today called for the immediate installation of a UN commission that will be responsible for verifying compliance with the human rights agreement signed by the Salvadoran Government and the guerrillas in San Jose, Costa Rica, in July. Rivera y Damas requested that such a commission be appointed immediately. In Sunday's homily, the prelate insisted that it is necessary to have this UN commission appointed as soon as possible.

[Rivera y Damas] *We feel that it is necessary for a UN verification commission, which will verify compliance with the human rights agreement, to join us as soon as possible, as established by the San Jose Agreement.*

In a news conference, the Catholic prelate said that the proposal made by the government at the United Nations had good intentions but was incomplete.

[Rivera y Damas] *By setting conditions, the government weakened the proposal. It gave the impression that it was not very serious. I believe, however, that we should view it as positive because anything that may help end the conflict is good.*

Rivera y Damas said that he agrees with UN envoy Pastor Ruidrejo about the need to establish the UN commission to verify the human rights situation in the country.

[Rivera y Damas] *As you have said, the human rights violations have continued. Perhaps there has been a certain qualitative or quantitative improvement.*

Ruidrejo declined to give any information about his report before he delivers it to the United Nation. Rivera y Damas said the Church did not present to Ruidrejo any report on the issue, but the UN expert examined some cases in the Legal Tutelage Office's files.

The prelate said that human rights are still being violated but would not provide further details. Rivera y Damas also said that the Church is satisfied with the forensic analyses that established that the recent deaths of two reporters were accidental.

Border With Honduras Permanently Opened

PA0710165690 San Salvador EL DIARIO DE HOY
in Spanish 3 Oct 90 p2

[Text] El Salvador and Honduras have become the first Central American countries to open their borders for 24 hours a day to allow the free passage of people and to strengthen the common market.

Immigration officials of the two countries opened on 1 October a "corridor" at the El Amatillo border post, 194 km from San Salvador.

Miguel Angel Matute, Honduran Deputy Communications and Transport Minister, opened the Honduran-Salvadoran segment of the "Central American Corridor." He said that the permanent opening of the border between the two countries "accelerates Central American integration, and marks the beginning of a new era in trade relations between the two countries."

Jose Hernandez, Director of the Salvadoran Department of Immigration also participated in the ceremony. He said that the opening of borders is part of the Economic Plan for Central America (PAECA) signed by the area presidents in Antigua. The Plan advocates "the elimination of obstacles to transportation and trade in the area."

Hernandez said that the opening of the borders includes charging uniform customs duties and establishing a single office for processing customs documents.

He said: "We hope that other Central American countries will follow the example set today by Honduras and El Salvador."

He said that he hopes that by the end of the year, the 23 Central American customs offices will be in operation to speed inter-regional trade.

He explained that a single customs form will be used to prevent the traditional delays in checking cargo. The form states that the cargo will be checked at its point of destination.

To prevent contraband, cargo will bear a seal to be broken at the final customs destination.

The El Amatillo border post serves as a point of entry for commercial cargo arriving from the United States and Panama and crossing Central American territory.

Cristiani Denies Increasing Fuel Price

PA0810222390 San Salvador Canal Seis Television
in Spanish 0030 GMT 8 Oct 90

[Passages in italics are recorded]

[Text] President Alfredo Cristiani denied rumors that have been circulating in the past few days that his government plans to increase the price of fuel. President Cristiani said today that the government has not yet decided to increase the price of fuel despite the Persian Gulf crisis, which has caused prices to rise in the international markets. There were rumors circulating last week about a possible sudden increase in the price of fuel at the national level. Cristiani rejected these rumors, saying that the government's economic committee has not yet decided to adopt such a measure.

[Cristiani] *We have been studying possible solutions to the crisis. We are seeking mechanisms that can be implemented here to face the crisis. This study continues permanently.*

El Salvador is the only country in the region that has not yet increased the price of fuel, Cristiani noted, adding that Guatemala, Nicaragua, Honduras, and Costa Rica have already announced increases. Cristiani said that the Salvadoran Government hopes to be able to handle the situation for some time. In that sense, no control measures have been adopted to prevent a possible generalized price hike.

[Cristiani] *I think that we should wait until that hypothetical situation actually takes place.*

On another subject, Cristiani said that the dialogue process will be expedited with the new mechanisms proposed during his visit with UN Secretary General Javier Perez de Cuellar.

[Cristiani] *We hope that our visit to the United Nations and our meeting with the secretary general will somewhat contribute to speeding up the process. He was very receptive, so we will see what can be done.*

Cristiani said that during his visit to New York, UN and U.S. Government officials were very receptive. Cristiani attended the ruling party's general assembly today. He announced that he will propose to the Legislative Assembly a fund to finance the less-privileged groups. General mechanisms of political action for that political party were established during the convention.

MNR Criticizes Cristiani's Attitude in Dialogue

PA0910013190 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 8 Oct 90

[Text] San Salvador—The National Revolutionary Movement, MNR, has described President Alfredo Cristiani's proposal for new mechanisms to facilitate the talks between his government and the Farabundo Marti National Liberation Front, FMLN, as irresponsible, demagogic, and manipulative. A communique, which was issued by the leftist MNR and was released in San Salvador, stresses that with his irresponsible action, Cristiani intends to evade being one of the parties involved in the conflict by trying to appear as a mediator. The MNR asked President Cristiani to show more responsibility in the way he leads the government and especially in the negotiations that government and rebel delegations have been holding since last May to try to end over 10 years of war. The war in El Salvador has caused the death of over 70,000 Salvadorans.

Weekly Roundup on Clashes With FMLN

PA0710210490

[Editorial Report] The following is a compilation of reports on clashes between the Farabundo Marti National Liberation Front, FMLN, and the Salvadoran Army between 29 September and 5 October.

San Salvador DIARIO LATINO in Spanish on 1 October on page 7 states that Radio Farabundo Marti reported that "the guerrillas inflicted about 71 casualties on the Army in the past three days as part of a nationwide military campaign" dedicated to two reporters—Pedro Martinez and Jorge Euceda—who were "murdered by the dictatorship of Alfredo Cristiani this past weekend."

DIARIO LATINO cites Radio Farabundo Marti as reporting that "the guerrillas seized a 90 mm cannon, seven M-16 rifles, two M-79 grenade launchers, 6,000 5.56 mm cartridges," among other weapons and ammunition.

The paper also states that the station reported an attack on police posts in Suchitoto, Cuscatlan Department, where the guerrillas inflicted about 11 casualties, and another attack in Cacaopera, Morazan Department, where the guerrillas inflicted eight casualties on the enemy. The station reported another enemy casualty in the area of Chinchontepec Volcano, San Vicente Department. No date was specified.

DIARIO LATINO also cites Radio Farabundo Marti as reporting that in September the rebels inflicted a total of "589 casualties on the National Army, including six officers, 12 noncommissioned officers, and four technicians." The station added that in the same month, "one helicopter was downed in Morazan Department and eight helicopters, a plane, and a light plane were damaged."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 1600 GMT on 2 October carries a 10 minute-report, which includes a communique, on 29 September-1 October military actions.

Radio Venceremos reports that "at 0500 on 30 September FMLN troops carried out a successful operation that was called: Comrade Cesar, we are getting closer to attaining peace by following your example. This operation consisted of a surprise attack on a company of Victoria Battalion of Military Detachment No. 2, stationed in Junquillo Hill, Villa Victoria, Cabanas Department." The station adds that the enemy sustained 40 casualties in this operation while the FMLN suffered the loss of Comrades Mario and Miguel.

The report states that "between 1400 and 1500 on 29 September, units of Jiboa Battalion of the 5th Infantry Battalion stepped on mine fields in Penas Farm, Chinchontepec Volcano, San Vicente Department, and as a result this battalion sustained three casualties."

Radio Venceremos also reports that "at 0730 on 30 September commando units of the 6th Infantry Brigade stepped on mine fields along El Zope Stream, Chinchontepec Volcano, San Vicente Department and sustained one casualty." The report adds that "at 2100 on 30 September, FMLN militia units harassed the genocidal troops of Ponce Battalion with rifle fire in Pajigua Abajo Canton, Yamabal, Morazan Department."

The report states that "at 0630 on 1 October FMLN columns attacked an enemy position held by Ponce Battalion near the Omoma Coffee Processing Plant, Ciudad Barrios, San Miguel Department. As a result, the enemy sustained two casualties. We withdrew without any problems."

Radio Venceremos also carries a communique reporting the results of a military campaign called: "Let us all fight for the sake of the democratic revolution; Comrade Cesar, we swear we will win." It states that "at 1200 on 29 September a successful ambush was carried out against a convoy heading north along the Northern Trunk Highway near Huacume Bridge, Apopa, San Salvador Department. The convoy, which was carrying between 25-30 troops, sustained 12 casualties."

The communique adds that on 30 September "at 1300 there were clashes with Military Detachment No. 5 and Bracamonte Battalion in Milingo Canton. As a result of our action, it was known that Military Detachment No. 5 sustained several casualties."

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 3 October carries a 4-minute report on 1-2 October military actions. The station reports that "at 1000 on 1 October FMLN guerrilla units clashed with Belloso Battalion troops in La Bola Hill, San Jose las Flores, Chalatenango Department. As a result, the enemy sustained one casualty." It adds that one of the two helicopters sent to help was damaged.

Radio Venceremos reports that "at 1100 on 2 October FMLN units clashed by Atonal Battalion units in El Transito Canton, San Agustin, inflicting two casualties on the enemy." The station adds that "at 1500 on 2

October we inflicted two more casualties on Belloso Battalion in La Bola Hill, San Jose las Flores, Chaltenango Department."

San Salvador Radio Cadena YSKL in Spanish at 1200 GMT on 5 October carries a 3-minute report stating that "five guerrillas and a soldier were killed and a helicopter was damaged by the guerrillas during clashes in the past few hours in central El Salvador." It adds that the FMLN claims to have damaged a U.S.-made UH-1H helicopter near the capital.

Honduras

Callejas on Fuel Prices, International Financing

PA0610042190 Tegucigalpa Voz de Honduras Network in Spanish 1755 GMT 1 Oct 90

[News conference by President Leonardo Callejas with unidentified reporters at Toncontin International Airport—live]

[Text] [Reporter] Welcome, Mr. President. Could you comment on your trip?

[Callejas] I am very pleased with the results of my visit to the United Nations. As you know, this is the first time a Honduran president has set forth his foreign policy and government program at a forum of this kind. I also participated in the UN Conference on Children. It was very interesting because 71 heads of state from diverse parts of the world participated. We issued a declaration of principles, which we hope will come into effect next year. The Honduran Congress has already ratified the International Convention on Children.

The Honduran and Soviet foreign ministers signed a letter of mutual agreement yesterday establishing diplomatic relations between the two countries. We will appoint ambassadors once we decide on the best site for an embassy in the same area the Eastern European embassies are located.

I also had the opportunity to meet with several heads of state. I sought help in solving our country's economic problems. I met with Enrique Iglesias of the Inter-American Development Bank [IDB]. I hope that in the next few days we can reach concrete agreements with Venezuela, Mexico, Spain, the United States, and the IDB, because the situation of the Central American and nonoil-producing countries is very serious.

[Reporter] Mr. President, the people would like to know more about what you said, especially about pressure from lower-ranking World Bank and IMF officials.

[Callejas] That is behind us. I have already spoken to higher-ranking officials of those institutions. I was very displeased because some lower-ranking officials want to impose their opinion over our laws. The matter was clarified at all levels in these institutions. We had the determined cooperation and support of U.S. Government officials, especially the secretary of the Treasury, with whom I discussed this matter.

The new options for international financing will be based on reaching agreements that do not imply profound changes to our legal system, unless the governments agree to them.

[Reporter] While you were away, there was much talk of an increase in fuel prices. It is already October. How much will the increase be, and when will it take effect?

[Callejas] Undoubtedly, the fuel problem is very serious. It is the world's main problem right now. I was reading about this, and last night I heard about the agreements between the U.S. Congress and executive branch, and the increase in fuel prices. Fuel prices are the main topic of discussion throughout the world. The price increase will have to be enacted. I want the increase to be made as soon and as fairly as possible. The government has even proposed reducing the tax on fuel by 15 to 20 percent to offset the price increase. However, the reality exists. We are already paying \$40 per barrel. That is the going rate. From what we can gather, it looks like the Persian Gulf conflict will last for a long time. It will probably not be settled before January or February. This will result in a very complex fuel price situation in October, November, December, January, and February.

[Reporter] How about city bus fares? The people are already worrying, and there might be outbreaks of violence if the bus fares are increased. Is your government going to continue subsidizing city bus transportation, in view of the imminent increase in fuel prices?

[Callejas] City bus fares will be subsidized. There will be no increase in bus fares. We are even studying products like diesel fuel, which is currently used for interurban transportation, to prevent an increase in diesel fuel prices from substantially affecting interurban transportation. Despite the fiscal sacrifice it entails, however, the subsidy on city bus transportation will be maintained to prevent problems if fares are increased. Let there be no doubt about this. Please remember that we are all hoping this will be a temporary measure, because it will last only as long as the Persian Gulf crisis exists. If this oil situation continues, the entire world will go broke, not only Honduras. This is a temporary measure and, therefore, there will be no increase in bus fares. We will try to maintain intercity transport rates by subsidizing diesel, so that in three, four, or five months, when prices return to normal, we will not have to reduce bus fares.

[Reporter] Cattlemen are also seeking permission to raise their prices. They have given a deadline of 3 October.

[Callejas] You already know about this. The government will continue to examine the situation.

[Reporter] Mr. President, the pressure exerted or being exerted by international financial organizations has been decisive in the adoption of economic measures. Are they still exerting pressure on our country's economic system?

[Callejas] We have also discussed this issue for a long time. The government adopted unilateral measures because it was aware that they were the best alternative

in facing the country's profound fiscal crisis. When our country acquires an agreement with international organizations, it agrees that certain requisites must be fulfilled in keeping with the respective proposals and negotiations.

We are currently implementing our own government plan, however, while fulfilling the requisites specified by the international financial community. In my opinion, the demands that Honduran Government officials, such as those of the Central Bank and Treasury Ministry, assume harsh positions are a thing of the past.

[Reporter] Mr. President, two questions. It is said that fuel prices will increase by 110 percent. Some people are talking about 10 lempiras and others about 13 and 16 lempiras. And my other question is: Fenagh [National Federation of Farmers and Cattlemen of Honduras] decided not to distribute milk to the processing plants in Olanchito. What will be done about this? Will prices go up?

[Callejas] We have already discussed this issue here...

[Reporter, interrupting] Let us talk figures now...

[Callejas, interrupting] As for fuels, the price of kerosene will not increase. The price of diesel will go up slightly, but I cannot say by how much because I have not yet met with the officials in charge of defining our energy strategy. Gasoline will probably bear the brunt of fuel price increases. We do not have specific figures at this moment.

As for the specific case you mentioned, we will discuss Fenagh's position and decide whether it is viable to change the government's position, which has been radical toward this case.

[Reporter] What are the results of your efforts regarding military aid and other issues that prompted you to visit Washington?

[Callejas] I hope we receive a positive reaction. There is a very favorable attitude toward Honduras and very clear support for our position. It will all depend on the scope and approval of the budget, but we expressed our message clearly. In fact, groups that used to oppose economic and military aid for Honduras, which disagreed with U.S. foreign policy on this matter, are now the Honduran Government's strongest supporters because they realize that we are making enormous efforts to solve our institutional crisis. We must wait for the results. They displayed a positive attitude, but it is the figures that really count in the end.

[Reporter] Mr. President, it is said that the 22 percent increase in minimum salaries is too low. Is there any criticism regarding this?

[Callejas] I imagine so because there are segments of the population that want a 100 percent increase, while others oppose any increase at all. We cannot satisfy everyone. According to Central Bank estimates based on figures until August, inflation this year will range from 24 to 30 percent. One cannot increase salaries by more than that without increasing inflation. We are trying to correct a

mistake with moderation; we are increasing the salaries of the most needy. We will have to review this measure every three to six months to adjust salaries to inflation.

[Reporter] Mr. President, the people cannot stand additional taxes. Will the government be able to absorb an increase in petroleum prices?

[Callejas] That is impossible. We are talking about \$100 million, or 500 million lempiras. It is impossible for the government of the Republic to absorb this by increasing the fiscal deficit, because we would be recreating the original cause of the crisis—that is, increasing the size of public expenditures.

We have studied the alternatives. We even discussed a possible increase in the (?sales) tax to 22 percent. This makes no sense because we believe this situation will be temporary, that the crisis will subside. The government is making great contributions to this effort by reducing its fiscal revenues by 15-20 percent—that is, more than 100 million lempiras. Adopting such a high percentage would be a grave mistake.

I realize that this situation entails a burden for the people. Tackling this permanently through a larger fiscal deficit would, however, create an unacceptable situation and a very serious inflationary process. We are facing a very serious problem; the country is facing an incredibly complex crisis. Thank you.

[Reporter] An increase in fuel prices will trigger an increase in basic staple prices also. Will you establish any controls?

[Callejas] Some will probably be adjusted, but we do not see why others should be, since we are dealing with temporary measures.

Views Sending Troops to Gulf

PA0710225390 Mexico City NOTIMEX in Spanish
1854 GMT 6 Oct 90

[Report by Miriam Mercado and Salvador Borja]

[Text] Tegucigalpa, 6 Oct (NOTIMEX)—President Rafael Leonardo Callejas said today that his government is studying the possibility of sending "a solidarity contingent" to the Persian Gulf.

Interviewed by NOTIMEX, he said that "sending a limited contingent to the Persian Gulf proves Honduras' pledge to promote international solidarity and help strengthen the decision of the United Nations." Callejas was referring to the UN resolution on the economic and air embargo against Iraq, whose troops invaded Kuwait on 2 August.

The Honduran president emphasized that Iraq "inflicted historical damage" upon the world with its armed action against Kuwait, a country which Iraq annexed to its territory like a province.

Referring to his government program, Callejas said that the most important goal during the first year of his administration is to reduce the fiscal deficit.

Callejas said that the goal has been partially met, because the fiscal deficit was reduced from 12.6 percent to five percent during the first eight months of his administration.

"The measures adopted to meet this goal have had a dramatic impact, but prices have become competitive, thus allowing for local and foreign investments," he said.

The Honduran president said that 27,000 jobs have been created during the first phase of his administration, and 30,000 additional jobs could be created in the near future.

He also said that the lempira's exchange rate with the dollar (currently 4.30 lempiras for 1 dollar) will soon be reviewed because the economy cannot possibly be influenced by the parallel market.

President Callejas said that, according to an agreement signed with the U.S. Government, a special radar will be installed in the northeastern zone of the country as part of the antidrug struggle.

He also announced that the Central American presidents will meet in Puntarenas, Costa Rica, on 15 and 16 December.

Callejas said that the presidential summit will be held to talk about the mechanisms for the region's economic integration.

The Honduran president told NOTIMEX that the meeting with his Central American counterparts will be "a critical step that will test our willingness to achieve integration."

Kidnapped Labor Union President Found Dead

PA0710173890 Panama City ACAN in Spanish
1613 GMT 7 Oct 90

[Text] Tegucigalpa, 7 Oct (ACAN-EFE)—National Transportation Council (CNT) President Oscar Salomon Aguilera, who was kidnapped in Tegucigalpa on 2 October, was found dead today near the city of Choluteca, in southern Honduras.

CNT Vice President Ricardo Simon told reporters that Aguilera's death had been confirmed today. He said that one of the suspects arrested by police had identified the place where Aguilera was murdered.

Simon said that it is not known how Aguilera died. His kidnappers had demanded a 150,000 lempira (\$35,000) ransom, which they did not pick up on 5 October in the town of Coyolito.

A spokesman for the CNT negotiating commission said on 5 October that, "the ransom was placed under a tree in Coyolito by two CNT members. No one came to pick it up, however, nor did they communicate with us again."

Aguilera was kidnapped one day before the Honduran Government announced a 60 percent increase in fuel prices.

Nicaragua

Cesar Confirms Chamorro Cabinet Reshuffle Plans

PA0710200490 Hamburg DPA in Spanish 1904 GMT
7 Oct 90

[Text] Managua, 7 Oct (DPA)—Sources close to the executive branch today confirmed that Nicaraguan President Violeta Chamorro plans to reshuffle the members of her Cabinet and directors of autonomous entities. Thus, her ministers, deputy ministers, and directors will step down from their posts in December as a "courtesy gesture."

Legislative Assembly First Secretary Alfredo Cesar said that the ministers, deputy ministers, and directors of autonomous entities have already been asked to resign to allow President Chamorro to reshuffle her Cabinet next year when her six-year presidential term is scheduled to officially begin.

Cesar explained that President Chamorro and the members of parliament are serving a special 9-month period because the elections in Nicaragua had been advanced to 25 February.

According to the Nicaraguan Constitution, the elections should have been held in November, but they were advanced at a Central American presidents' summit held at the Salvadoran beach resort of "Costa del Sol" in February 1988.

Cesar, a former member of the now defunct directorate of the demobilized Nicaraguan Resistance "contras," was Mrs. Violeta Chamorro's principle adviser during the electoral campaign. He is currently the secretary general of Nicaragua's Social Democratic Party.

Daniel Ortega on Defending 'People's Interests'

PA0810030290 Managua Radio Sandino in Spanish
2300 GMT 3 Oct 90

[Speech by former President Daniel Ortega at the funeral of Commander Carlos Nunez Tellez at the Plaza de la Revolucion in Managua—live]

[Excerpt] [passage omitted] We must speak frankly, without politicking. We do not engage in politicking. We have always been very clear when we speak to the people. In the first place, we must establish that the FSLN [Sandinist National Liberation Front] National Directorate has not signed and will not sign any agreement with the government behind the people's back or any agreement that goes against the people. [shouts, applause] We want to maintain a dialogue because we have a responsibility to the nation, to the Nicaraguan people, and to all those who have suffered from the war and who are suffering from the antipopular measures that the government has adopted in the last few months.

When we meet with the government representatives, we speak frankly. We tell them that we defend the people's interests and that we absolutely disagree with the attempt to implement an economic program—our

country needs an economic program—that is unacceptable because it will make the wealthy wealthier and the poor—who suffer from misery, hunger, and dismissals—still poorer. We have made that very clear. Some people with extremist positions say certain things that we must reject because this revolution was not made through extremism. It was accomplished with Sandinism; with Sandino's spirit and logic; and with Carlos' spirit and logic, which was the logic of the people's unity. It was the logic of the workers' unity. It was the logic that unified all Nicaraguan patriotic sectors to face Yankee intervention in the era of Sandino and to defeat Somoza's dictatorship in the era of Carlos Fonseca.

It would perhaps be worthwhile to read again some of Carlos' writings in which he comments on the topic. He wrote a famous essay entitled: *From Prison, I Accuse the Dictatorship*. In his essay, Carlos speaks of the need to unite all the people in the struggle against the Somoza dictatorship. There are the other extremists who say that the government is in the hands of the Sandinists and that, therefore, there is nothing more to be said and nothing to agree upon. They say this because we meet with the government, the rightist extremists, and Cosep [Higher Council of Private Enterprise].

We said that we could not attend the 20 September meeting called by the government. This was not because dialogue is wrong; we believe in dialogue. It was not because it is wrong to reach an agreement or a concerted effort, which means an agreement. We have been in favor of a concerted effort. We have sought a concerted effort in the past. Those who are now calling for a concerted effort were opposed to it when we had proposed it. If they were wrong and antipatriotic in the past, we are not, however, going to be the same way now; national interests are at stake.

We said that minimum conditions had to be set concerning points that we were debating with the government. These points dealt with the decrees imposed by the government. They had to do with dismissals and threats of eviction against the residents of poor neighborhoods and settlements. They had to do with Decree 11-90 and its threats against the peasants in cooperatives. They had to do with the workers of the industrialized sector.

We saw that conditions had to be created. This is why we did not attend the meeting on 20 September. On 26 September we resumed the talks with the government that we had initiated on 1 September and continued on 10 September, but we did not attend the meeting at the Olof Palme convention center on 20 September, and we explained why. It was not because we want war; we have always hated war. It was simply because an economic and social war was being declared against us, the people, making it unacceptable to participate in talks. Not only rifles kill; hunger and unemployment also kill workers. [applause]

On 26 September we met again and considerable progress was made. On the 27th the UN representative called a meeting which was attended by government

representatives, the U.S. ambassador, and me. [applause] Meetings were held later with the National Workers' Front [FNT], UNAG [National Union of Farmers and Cattlemen], small industries, and evangelists in an effort to solve our problems. There was a feeling of anticipation on 1 October, however, because demonstrations had been prepared. The National Guard newspaper—a CIA newspaper—reported then that the people had turned their backs on the FSLN because the demonstrations were not staged. It appears that to prove that the people have not turned their backs on the FSLN, we must erect barricades and stage demonstrations. It looks like this is what they want. It looks as if they would like the people to disperse throughout the city to erect barricades. [applause] I believe that we have more than enough strength and energy to erect not dozens but thousands of barricades in Managua and throughout Nicaragua.

It is not a matter of erecting barricades, however, but of seeking solutions to the problems that have been created throughout the country because of the war imposed by the Yankees and the doors that they have opened for the Somozists. The Somozist buzzards are now trying to dispossess the people. [applause] Any Somozist who shows up at a settlement, neighborhood, or factory must be told what the Constitution says. Above all, he must be told: You will not pass. We will not take a single step backward. It is you who must take 1,000 steps backward and return to Miami instead of coming here to soil Nicaragua. [applause]

With all of our problems in Nicaragua and with all the disputes over our limited resources—the largest part of which the wealthy are attempting to seize—the workers are demanding their fair share. There are also the demobilized contras, poor peasants who were victimized by Yankee policy. There are the repatriates, poor people who fled to Honduras and Costa Rica and are now returning. There are the employees who were fired because the government fired a number of comrades from many institutions. More than enough Nicaraguans are demanding the distribution of the country's meager resources. It is absurd to open the doors to the Somozists so that they can calmly step in and say: Return to me what Sandinism gave you.

I tell you, therefore, that agreements are defended through actions and peoples' organization. It is not that we want to wage a war, because we do not want a war. The people want to avoid being deprived of their property, the little lots that many of them received at settlements, the houses they received in neighborhoods, and cooperative lands. We must not allow this.

We met once again with the government in the afternoon of 1 October.

The government has met with various sectors on its own. On Monday, we made great progress in finding solutions to many problems that were discussed, such as the land

problem. It was agreed to create a commission to review this problem. Some of the land disputes have already claimed lives.

Because there is enough land in Nicaragua, it is unfair for UNO [National Opposition Union] extremists to send demobilized peasants to fight against peasants who have defended the revolution. It is unfair. We must be clear on this. We have totally agreed with the attitude assumed by the comrades in ATC [Association of Agricultural Workers] and UNAG.

Groups of peasants and demobilized contras are approached by UNO extremists, who incite them to take over cooperatives in a revengeful manner by promising them support. Contra peasants in groups of 300 then dislodge 30 or 50 peasants from cooperatives. The dislodged peasants first decided to join other peasants and arm themselves to fight for their rights. We discouraged them, however, from doing that because it was not wise. Why should peasants kill each other? That will not solve the problem.

Then what did they decide to do? They decided to take over the farms of the rich. That is okay. We support that decision. They can take over the farms of the rich, but poor peasants should not kill each other! [applause] Peasants who are without land have no reason to be killing each other and fighting among themselves. There is enough land in Nicaragua. If necessary, we must create a land fund. If anyone must be affected, it should not be a cooperative. It should be one of those rich landowners who have thousands of manzanas of land, a lot of which is not being used. It is not fair for someone to make a profit that way. Land should be at the service of peasants who have no land. Anyway, an agreement was reached on that matter. I will not repeat here all the points of the agreement because you must be aware of them already, as we have been talking about them on the radio. There was some progress.

I will only mention Decree 11-90 because it calls for a great battle. Under Decree 11-90, Somozists can obtain an order from a mayor or an authority in a town, municipality, or village to recover a farm, a house, or a settlement. In that regard, we will state things clearly. Now it turns out that we are the criminals because we responded to the people's demands, and the criminals are honest. A criminal has been appointed head of the famous National Revision Commission. He has a pretty bad record. I am sure that there will be someone who will tell him: I will give you so much if you give me an order to recover this property. The members of that commission are shameless, and the same thing happens in the municipalities. They want to recover the property where the music school operates in Jinotega to return it to a Somozist. That is what they want. Are we going to let them? [Crowd shouts: "No!"]

That is what counts. Saying no, however, is not enough. We must act. We must act by organizing ourselves better and not becoming intimidated. For example, the mother of a comrade who fell in Masatepe told me that after she

had lived in a house for more than 10 years, the former owner appeared and told her that she had to leave. She said to me: I am forced to leave. That mother was intimidated. This means that there was lack of solidarity in that area for that mother, who should not be evicted from that house. The same thing is happening in some settlements and farms.

Of course, there are other places where the people are quite belligerent. They do not let anyone approach them and try to take away the possessions that the revolution and the Sandinist government gave them! We feel proud to have given them those possessions in the past, and we would do it again as many times as necessary because our commitment is with the people, the workers, and the poor—not with the those who exploit us! [applause]

I explained that we managed to make considerable progress in the 1 October meeting. The statements issued by the government, meaning the communique issued today while we marched.... [changes thought] We can say: They say that but will not fulfill their pledges. It is, however, up to us. We must make sure that they fulfill their pledges. If they have said that there will be no more dismissals, then the workers should not allow for one single dismissal from any government agency. It is all up to the workers. Whenever there are plans to dismiss anyone, they must say: Look, here is the government's statement! They must rebel, they must rebel, they must rebel [repeats himself] and not tolerate any abuse. They must immediately rebel and say: No, we do not accept this. We will immediately report it. We will immediately contact the FSLN comrades so that the action is reported and so that no one is allowed to threaten us with this type of action.

I would say, therefore, that favorable conditions have been created so that the workers, the comrades of UNAG, and the small industries may return... [corrects himself] may join—because they have not yet participated—in the national dialogue. Now then, the fact that one participates in the national dialogue does not mean that they will say: Yes, sir. That is the responsibility of the workers organized within the FNT.

It is also the responsibility of the producers who are organized within UNAG; it is the responsibility of the comrades who are organized within small industries. They must participate and defend—with logic, good sense, and responsibility, because we will not make crazy demands—the workers' interests, the poor people's interests, and the small and medium-sized producers' interests because they are suffering the most from the lack of credit.

They must discuss things and see how the pie will be divided. They must not let others divide the pie among themselves. They must fight so that the workers will get what is rightfully theirs from what will be distributed in the national dialogue. In other words, they must go and defend their rights. If no agreement is reached, they simply must not pledge themselves or sign anything. No one can point a gun at their heads and say: Sign! Even if

someone pointed a gun at their heads, we know that the comrades have Carlos Nunez Tellez' courage and will not sign anything—even under the threat of a gun—because they are defending the people's interests! [applause]

Consequently, we believe that the conditions have been created. This must be taken seriously and with great responsibility because the FSLN is in favor of economic measures that protect the poor and the poor in Nicaragua cannot be distributed. No one can say: The poor who voted for the FSLN are one thing and the poor who voted for UNO are another thing. The poor who voted for the FSLN and the poor who voted for the UNO are equally poor. The suffering of a parent who voted for the FSLN and a parent who voted for the UNO is the same when they receive a utility bill. Their reaction is the same.

The desperation of a mother who cast her ballot for UNO and a mother who cast her ballot for the FSLN is the same when they realize that they do not have enough money to buy food for their children and when their children begin to suffer from malnutrition. The suffering of the mother of the family which voted for UNO and the one which voted for the FSLN is the same when they realize that they lack the resources to buy medicine while their children are dying—and when they eventually die. [passage omitted]

Labor Conflicts Continue at Enabus, Banks

PA0910012690 Managua Radio Sandino in Spanish
1200 GMT 8 Oct 90

[Report on interview with Sandinist Worker's Federation member Carlos Palma by unidentified reporter; place and date not given]

[Text] The Enabus [National Bus Enterprise] conflict, which is already three weeks old, has entered a new stage with an announcement by Minister Jaime Icabalceta. The minister said that approximately 200 buses—which striking workers are still holding at bus terminals one and two—will resume their routes, no matter what. A meeting that Minister Icabalceta and Deputy Presidency Minister Antonio Ibarra called for this afternoon to solve the problem will not be attended by Enabus workers. It will be attended by CUS [Confederation for Unity of Trade Unions] and CTN [Nicaraguan Workers' Federation] members. Carlos Palma of the CST [Sandinist Workers' Federation] explained the Enabus workers' position:

[Begin recording] [Palma] We are alerting the people about a possible confrontation [words indistinct] because of the meeting that will be held through the Labor Ministry and because of Icabalceta's intransigence, which was evident when he issued a communique yesterday announcing his determination to put the buses back in circulation, no matter what. We continue to maintain our previous position and will wait for the results of the meeting scheduled for 1400 today.

[Reporter] Will you attend the meeting and [words indistinct]?

[Palma] We will not attend the meeting because we cannot abandon the terminals. The meeting will be attended by Ibarra, Icabalceta, and people from the CUS and CTN.

[Reporter] Have you expressed the need to hold the meeting at the terminals so that you can attend?

[Palma] We have not proposed that. [Words indistinct] negotiation that was suspended a couple Saturdays ago. We feel that the commission that was negotiating is the same that must continue to negotiate the Enabus problem.

[Reporter] Are there any alternatives to resuming the talks between the commissions?

[Palma] That is up to them. They are the ones who are being uncompromising. [end recording]

Meanwhile, Juan Vasquez, a leader of the Confederation of Banking Workers, has reported that staggered strikes begun by bank employees on Friday will continue today in all of the country's banks. Bank employees throughout the country will work from 0800 to 1300 and will then stop working. The labor leader said that this half-day working practice will change to other kinds of civic protests if the authorities of the Central Bank and the Financial Corporation do not meet their demands. Bank employees want a minimum salary of 200 gold cordobas, a 100-percent subsidy in the basic food basket of 53 products, and labor stability, Vasquez concluded.

Editorial Blames UNO for Incidents in Waslala

PA0610234490 Managua BARRICADA in Spanish
4 Oct 90 p3

[Unattributed editorial: "Anarchy in the Countryside"]

[Text] The incidents in Waslala on 1 October have added more dead and wounded to an already long list of victims because of a problem that could have been settled long ago. Government officials are confused about their personal interests and their duties, preventing this problem from being solved.

On this occasion, the UNO [National Opposition Union] extremists—who are stirring up conflicts between the disbanded contras and the peasants—rather than keeping their promises to the contras, have vented their anger on religious sectors who have nothing to do with agrarian conflicts. This has created a new element in this conflict, and government officials are the only ones responsible for the incidents.

The accusations, beatings, and harassments against priests and clergymen by the UNO extremists in Waslala have resulted in more innocent victims. It has escalated the conflict to intolerable levels because the UNO is attacking sectors that have already suffered at the hands of some former contras, who are being manipulated.

The situation in Waslala—which might spread to other areas where the same situation exists—demands that government officials get their priorities straight and stop ignoring these problems. The peasants—those in cooperatives and on farms—should receive guarantees that their lands and work sites will not be taken away from them, in view of the just but violent demands for land by the former contras.

The government knows that there is no other reason for this problem. This has been confirmed by the understanding and solidarity that the former contras have found among the peasants affiliated to the UNAG [National Union of Farmers and Cattlemen]. This also points to the possibility of reaching a solution easily without any more victims.

At the same time, and because it is its duty and its commitment to the former contras, the government must offer an immediate response to their demands. As long as this does not happen, and as long as government officials continue to place their personal interests before national interests, they will be responsible for the dead and wounded.

What happened at Waslala is not a warning signal announcing a tragedy. It is a tragedy itself, and we must immediately put an end to it.

Army, Police Retake Waslala

PA0810215890 Managua BARRICADE in Spanish
6 Oct 90 pp 1,5

[Text] The Army and the police force retook Waslala yesterday. Waslala had been seized on 1 October by a large group of former contras who were incited by Government Ministry officials and UNO councilmen.

The information was confirmed by Commander Sergio Gomez, chief of the Matagalpa Police, who said that the authorities retook control of Waslala in the morning.

The former contras seized the town on Monday, 1 October. They were encouraged by Government Ministry delegate Jaime Cuadra and UNO councilmen. A clash ensued that lasted one hour. Four contras were killed, and several persons were wounded, including two policemen.

According to Fathers Enrique Blandon and Ubaldo Guervasoni and Sister Gloria Foriani, the mutinous group caused the population to panic when they attacked government workers and a group of clergymen with rocks, sticks, and weapons.

On Thursday 4 October a commission, including Deputy Government Minister Jose Pallais and National Police Commander Rene Vivas, met in Matagalpa with the local authorities to analyze the events that took place on Monday.

A delegation of the People's Struggle Front in Matagalpa attended the meeting and demanded that the president

of the Republic dismiss the Government Ministry delegate in Matagalpa, Jaime Cuadra, who was accused of being one of the main instigators of Monday's events.

The Defense Ministry reported also that a delegation for the president of the Republic arrived in Waslala to restore normalcy in the town. The delegation is comprised of Government Ministry officials, Army and police commanders, FSLN [Sandinist National Liberation Front] representatives, and former contra leaders.

The Defense Ministry report emphasized that the delegation has the authority to solve the land problem and restore health services in the town.

The Defense Ministry added that the International Commission of Support and Verification (CIAV), an OAS organization in charge of supervising the contras' disarmament, will deliver food and farming tools to the former rebels.

In a statement to the AP news agency, Santiago Rivera, a former rebel, said: "If the government does not fulfill its pledge and give us land, we will go back to the mountains, because we can no longer tolerate the situation of poverty and hunger in which we find ourselves around here."

Former Contras Blamed for Situation in Quilali

PA0910042890 Managua BARRICADE in Spanish
7 Oct 90 p 5

[Report by Martha Marina Gonzalez]

[Text] Quilali—An explosive situation could occur in the Quilali municipality if the contras carry out their threats made in the past few days. Two hundred and seventy-five armed contras have threatened to take over the police station, the mayoralty, the bank, the health center, and MAG [Ministry of Agriculture and Livestock] offices, as well as lands in the hands of the cooperatives La Reforma, El Coco, San Bartolo, and Plan Grande.

Meanwhile, the situation in San Juan de Rio Coco is tense because the contras have issued an ultimatum to a Government Ministry delegate to resolve their demands. Former contra chief Jaime Zeledon, alias "Bolívar," said that if they do not receive a reply regarding the land problem, they will proceed to take over the UPE [State Production Unit] La Dalia, where five former contras were recently killed. Zeledon warned: "We do not care if there are more deaths."

Quilali peasants charge that the contras—who have taken up arms again since the beginning of September because the UNO [National Opposition Union] government has not honored its pledges—are seeking to drive this municipality into chaos.

With this goal in mind, they have joined together with members of the UNO Political Council; former land owners, such as Arnoldo Zelaya, the former owner of La Reforma; and leaders of an alleged "rebel support" committee.

It was learned that the former owner of La Reforma, Zelaya, is the main instigator. He has met with demobilized contras from Condega and Quilali. Among those mentioned are Filiberto Ruiz Pinell, alias "La Iguana"; Marvin Moreno, alias "Douglas"; former contra recruiters Pedro Moreno, Ildefonso Vilchez; and UNO leader Ruben Ramos.

Ramon Ruiz, a relative of Zelaya, incited the former contras to take over the La Reforma cooperative.

The 275 former contras who have taken up arms roam throughout the peasant communities inciting them to disrupt law and order. According to reports, on 23 September they beheaded two demobilized contras who refused to take up arms in La Palmera, five km south of Quilali.

The Quilali townspeople fear that a situation similar to the one in Waslala could occur here. They have urged the Government Ministry, therefore, to send police and EPS [Sandinist People's Army] reinforcements, and they have asked for a CIAV [International Commission of Support and Verification]-OAS office be set up there.

Roberto Ferrey, Crisanto Castillo, and other government officials will travel to Quilali.

When asked about the tense situation in Quilali, Mr. Castillo replied: "nothing is happening there; there are nothing but rumours."

Sailors, Police Missing After Honduran Attack

PA0510195590 Managua Domestic Service in Spanish 1841 GMT 5 Oct 90

[Text] This is a last minute report. Honduran piranha boats have attacked members of the Nicaraguan Navy and Border Police at Cosiguina Point. Melba Sandino, our correspondent in the city of Leon, has this report. Go ahead Melba.

[Begin Sandino recording] This is a report from Leon for Radio Nicaragua. Six members of the Nicaraguan Navy and the Border Police have disappeared after being attacked by two piranha boats coming from Honduras. The two boats entered Nicaraguan waters at Cosiguina Point on the morning of 4 October. The Nicaraguan Government Ministry reports that six members of the Sandinist Navy and the Border Police, who were patrolling in jurisdictional waters off the coast at Cosiguina Point, Mangle Alto, Potosi Municipality in two small boats, were attacked with machine-gun fire from two piranha boats coming from Honduras.

The two boats appeared from a place known as Gunpinol in Honduran territory. The Nicaraguan and Honduran boats exchanged fire, and the six members of the Nicaraguan Navy and the Border Police disappeared along with the small boats. The missing troops are: Lieutenant Fermin Molina, Sub-Lieutenant Roberto Zapata, Gerardo Agria, and Denis Lopez from the Border Police; and Salvador Chevez and Jose Rivera from the Sandinist Navy.

The six men were patrolling Nicaraguan territorial waters to prevent the arrival of piranha boats that come to fish in the Gulf of Fonseca when the two boats coming from Honduras leveled machine-gun fire at the two small boats and their occupants. This action had serious consequences, because the six men disappeared in Nicaraguan waters off the coast of Mangle Alto, Cosiguina Point after the incident. The military authorities are combing the area to locate the men. [end recording]

Cooperation Protocol Signed With PRC Delegation

PA0810233390 Managua LA PRENSA in Spanish 6 Oct 90 p 2

[Report by Julio Cesar Armas]

[Text] An important PRC delegation is visiting Nicaragua. The delegation, which is led by Ambassador Huang Zhiliang [as published], paid a courtesy visit to President Violeta de Chamorro. The delegation expressed its affection for the Nicaraguan people by giving Mrs. Chamorro a fine Chinese porcelain vase.

The Foreign Ministry was later the site of the signing of a cooperation protocol through which the PRC granted Nicaragua a \$6.5 million line of credit to finance investment projects, the supply of basic equipment, and technical assistance.

The delegation also delivered a \$1 million donation of food, medicine, and tools for the people left homeless by natural disasters in Nicaragua's Atlantic coast region.

The delegation included Mr. Liu Yan, assistant minister of the Ministry of Foreign Economic Relations and Trade; Mr. Li Chengwei, director of the ministry's Foreign Aid Department; Mr. Lio Xioaging [name as published], deputy section chief of the department; Mr. Wan Heliang [name as published], deputy section chief of the General Office, and Mrs. Qian Chunying [name as published], official of the Foreign Aid Department.

The protocol was signed by Mr. Liu Yan for the PRC and Dr. Noel Vidaurre, deputy foreign minister, who, on behalf of Nicaragua, thanked the PRC for its generosity.

Bolivia

Plot To Murder President, Others Revealed

PY0910020290 La Paz Television Boliviana
Network in Spanish 0030 GMT 9 Oct 90

[Report by Antonio Valdez]

[Excerpt] General Lucio Anez Rivera, commander of the Special Antinarcotics Force, today revealed a reported plot financed by drug traffickers to murder Bolivian President Jaime Paz Zamora, Interior Minister Guillermo Capobianco, Social Defense Under Secretary Gonzalo Torrico, lawyer Juan del Granado, U.S. Ambassador Robert Gelbard, and himself. This morning Gen. Anez Rivera briefed the Chamber of Deputies Narcotics Commission on the plan, which is related to recent operations carried out by this force.

[Begin Anez Rivera recording, in progress] ...a plan to carry out an attack on the president of the Republic, the interior minister, the U.S. ambassador, myself, and Dr. Juan de Herrera Baez. This is a report that is yet to be confirmed, and we are still evaluating it. I do not want to give further details of the plan because we have sent people to the zone where this attack is reportedly being prepared. It is still early to say what the results of the investigation will be, but I have said that the report has not yet been confirmed. [end recording]

Concerning this report, Chamber of Deputies President Fernando Kieffer Guzman has stated that drug trafficking cannot assume the role that some drug traffickers want to impose on the country.

[Begin Kieffer recording, in progress] ...to reach the same level as in Colombia where they attacked society by murdering political leaders, judicial personalities, and members of the executive branch. This has dragged Colombia into a state approaching internal war, which has caused not only the death of many people, but also the disbursement of millions of dollars and the loss of prestige by society itself.

Bolivia cannot afford to do the same, and the government must adopt all actions necessary to annihilate, if necessary, this terrorist movement that the drug lords are trying to implement. [end recording] [passage omitted]

Embassy in Kuwait Reportedly Raided 28 Sep

PY0810154290 La Paz La Red Panamericana
in Spanish 1130 GMT 9 Oct 90

[Text] Bolivian Ambassador to Kuwait (Miguel Dueri) has reported that on 28 September Iraqi Army officers raided the Bolivian Embassy in that conflictive region.

(Dueri), who is in La Paz, on instructions of the Bolivian Foreign Ministry, said that Middle East sources have reported on this situation.

[Begin (Dueri) recording] We have learned that on 28 September Iraqi Army officers entered the Bolivian

Embassy and ordered the janitor and the maid to immediately leave the building. They cut the water supply and said that they would return the next day to cut the electricity. The janitor was scared. He was forced to leave the embassy building as soon as possible. In view of this situation there is the risk that our embassy may be looted. It is really regrettable that such a thing can occur. [end recording]

(Dueri) then said that the Foreign Ministry has already taken action concerning the damage that may be done to the Bolivian Embassy facilities.

He refused to give more details of this incident, adding that it is up to the Foreign Ministry to release an official report on the issue.

Iturralde Reiterates Support for UN Resolutions

PY0910023090 La Paz La Red Panamericana
in Spanish 0000 GMT 9 Oct 90

[Text] Foreign Minister Carlos Iturralde has said that Bolivia will continue to comply with UN resolutions on the Persian Gulf conflict.

According to the dignitary of state, there are specific UN resolutions that are being implemented by UN member nations. He said that Bolivia has a position on this issue that will not change for the time being.

Explaining some differences in views prevailing in the Group of 77, the foreign minister said that during the nonaligned countries meeting a declaration was issued in this regard.

The dignitary of state said the Persian Gulf crisis affects our country in different ways and that in view of this situation, the resolutions by the UN Security Council are being taken into account by Bolivia.

Mexican President Arrives for One-Day Visit

PY0610110090 La Paz La Red Panamericana
in Spanish 0030 GMT 5 Oct 90

[Text] Carlos Salinas de Gortari, president of the Republic of Mexico, arrived in La Paz at exactly 2015 as scheduled. He will remain in Bolivia for approximately 19 hours. His important activities will include an interview with the president of the Republic and the signing of several bilateral agreements.

Presidents Sign Joint Declaration

PY0810135890 Madrid EFE in Spanish 2059 GMT
6 Oct 90

[Text] La Paz, 6 Oct (EFE)—Mexico and Bolivia today agreed that the Latin American countries will not be able to individually cope with their insertion in the large economic blocs of the new international system; therefore, the two countries advocate the strengthening of regional integration.

This joint position is expressed in a joint declaration signed today in La Paz by the Bolivian President Jaime Paz Zamora and Mexican President Carlos Salinas de Gortari, who arrived in La Paz last night for an official 19-hour visit. This is the first time a Mexican chief of state has visited Bolivia.

"The insertion of the region in the main economic groups of the world is a challenge that no country will be able to face individually, considering the large economic groups that are being established in the international system," the document states.

The document adds that Paz Zamora and Salinas "noted that it is appropriate to strengthen the participation of their countries in the efforts for regional integration and political understanding to further rationalize the work of the many regional organizations through the coordination and redefinition of their objectives."

They also expressed their "concern" over the persistent economic crisis in Latin America "which is threatening the democratic progress."

"The full consolidation of democracy and its effectiveness on the continent will only be safeguarded through the resolute exercise of the peoples' self-determination without any kind of foreign intervention," the joint declaration states.

"The two presidents stressed the need to reactivate the process to reach an agreement to self-limit conventional offensive weapons and to create a peace and security zone in Latin America and the Caribbean," the document adds.

Regarding the international field, Bolivia and Mexico expressed their concern over the Persian Gulf conflict and over the need "to ensure a stable international oil market as soon as possible."

"Upon reiterating their most categorical condemnation of the use of force by one state against another, as well as any aggression against the territorial sovereignty of the states, the presidents demanded total and immediate respect for the wishes of foreigners who want to leave the conflict area," the declaration states.

The two presidents also signed an agreement that establishes "systems to exchange information in the field of the struggle against drug trafficking and drug addiction, with total respect for the jurisdiction of the national authorities."

The agreement includes the creation of a joint committee which, among other things, will recommend to the two governments efficient formulas for cooperation in the struggle against drug trafficking.

After Peru, Bolivia is the second world producer of coca leaves, the raw material for cocaine, while Mexico is one of the main bases for smuggling drugs into the U.S. market.

Mexico To Support Request To Join Group of 8

PY0810140890 Madrid EFE in Spanish 2040 GMT
6 Oct 90

[Excerpts] La Paz, 6 Oct (EFE)—Mexican chief of state Carlos Salinas de Gortari said today that Mexico will support the Bolivian request to join the Group of Eight during a "summit" that the Group will hold in Caracas next week.

Salinas de Gortari, who arrived in La Paz last night for a 19-hour visit, made this statement during a ceremony at Government House.

"At the upcoming meeting in Caracas, the Mexican Government will resolutely support the full participation of Bolivia in the Group of Rio," the Mexican president said.

The Mexican president said that this announcement, which was not included in his official speech, was the result of a private talk that he had just held with his Bolivian counterpart Jaime Paz Zamora. [passage omitted]

Salinas stressed the need to strengthen "multilateral organizations" in Latin America, in the face of the "surprising and deep changes" that are taking place at an international level.

"With the end of the cold war, the world has abandoned the bipolar structure and has begun to search for a new balance," he added.

In a previous speech, Paz Zamora said that Latin America is on the eve of "a new millennium that is full of challenges," with "major socioeconomic changes."

"As Cortes did on a lonely Mexican beach, we have to burn the ships of underdevelopment."

The two presidents spoke after signing several bilateral agreements on cooperation in the antidrug fight, education and culture, technology and science, and a fishing development.

During the ceremony, Salinas de Gortari was awarded the Grand Collar of the Condor de los Andes, which is Bolivia's top decoration. Paz Zamora, in turn, was awarded the Grand Mexican Order of the Great Aztec Eagle.

Salinas was due to leave for Buenos Aires at 1410 local time (1810 GMT), but the agenda, which includes lunch with the Bolivian foreign minister, delayed the Mexican president's departure.

President Expects Invitation To Join Rio Group

PY0910025090 La Paz La Red Panamericana
in Spanish 0000 GMT 9 Oct 90

[Text] The president of the Republic, Jaime Paz Zamora, has said that Bolivia expects the nations comprising the Rio de Janeiro Group to invite our nation to join the group to advance toward integration.

The dignitary of state said Mexico is a nation that is interested in Bolivia becoming part of this group, which is becoming important because prominent South American nations carry weight in the Rio de Janeiro Group.

The president said Mexico carries its own weight as a Latin American country located in North America, and that Mexico's situation is unique. He added that the Rio de Janeiro Group has great possibilities for advancement.

Jaime Paz Zamora reported that the Mexican representative at the Rio de Janeiro Group will be the one who will ask that Bolivia participate in future actions of the Rio de Janeiro Group member nations.

Paz Cited on Lack of Coordination in Drug Fight

PY0510234690 La Paz PRESENCIA in Spanish
29 Sep 90 p 6

[Text] While expressing his satisfaction with the effective results being achieved in the struggle against drug trafficking, President Jaime Paz has also conveyed his concern over the lack of coordination among the different entities involved in the suppression of this scourge.

Before traveling to his "El Picadito" estate on the outskirts of the city of Tarija, the president said: "We Bolivians are becoming more efficient in the struggle against drug trafficking."

The president said that despite the positive results that have been achieved, the "alternative development" argument has not resulted in a balance between interdiction and suppression activities.

Another aspect raising concern is the poor coordination among the entities involved in the government's anti-drug struggle. The Santa Cruz prefect, for example, was unaware of an action carried out in that department, an action which represented a "very hard blow to drug trafficking," the president added.

Combined forces in the antidrug struggle carried out a broad operation in the city of Santa Cruz on 24 September with the goal of effectively suppressing drug trafficking activities. Many small planes and large amounts of money were seized in the operation and many suspects were detained.

Discussing the lack of coordination, the president said that this situation was understandable considering the confidentiality normally required in these types of operations. At any rate, he said, this does not justify the fact that more appropriate mechanisms do not exist, he said.

It is necessary to coordinate actions so that the country's institutional system is not pushed aside due to the security of an 'operation' of this nature, the president concluded.

Official on Overview of Alternative Development

PY0610144290 La Paz PRESENCIA in Spanish
1 Oct 90 p 4

[Text] Alternative Development Under Secretary Osvaldo Antezana said that the government intends to modify its alternative development strategy to solve problems not only in coca-producing areas, but also in other rural areas with a high rate of population emigration.

In statements to the media, he warned about the economic problems faced by peasants in the high plateau who have suffered seven consecutive years of drought and the pressure of a large demand for coca to produce drugs. These phenomena are the reason for the emigration of peasants to the Chapare and Yungas Regions.

Antezana said the government must deal not only with the alternative development problem in coca-producing areas, but also in areas that he described as "areas with a high rate of population emigration."

The under secretary spoke about the achievements of the alternative development plan, which is conducted by the government with international financial support. He said: "The coca production problem is definitely an economic problem, besides the fact that it is traditionally produced for domestic consumption."

"Obviously, we will not offer solutions for just these two problems," Antezana said, and added that there is a need to carry out productive infrastructure works that will allow peasant settlements to remain in their place of origin and will restrict emigrations to coca-producing areas.

He said that the coca-producing zones, especially the Chapare Region, are very fragile because of their excessively acid earth, high rainfall, and high biotemperatures. All of these factors restrict agricultural development.

Antezana believes that the soil has also been depleted by "brutal forest destruction" so that it is necessary to re-create the conditions that existed in these areas before their ecologic balance was disrupted.

He added that the government has appropriated \$9 million to install electric lines in the Chapare Region and encourage profitable private investment, especially in the field of agricultural industries.

According to U.S. businessmen, the alternative development project "is not wrong because it offers good opportunities." A delegation of U.S. businessmen expressed its interest in the production of spices and coloring elements, such as ginger, 300 tons of which were produced in 1989 for export.

Foreign Minister Iturralde Advocates Integration

PY0810132490 La Paz La Red Panamericana
in Spanish 1130 GMT 8 Oct 90

[Text] Foreign Minister Carlos Iturralde has said that despite recent progress, the Andean subregion market

continues to be the sector with the least possibility of carrying out joint negotiations with the United States within the context of President Bush's Initiative for the Americas.

Iturralde said that South American countries should carry out a joint action to face up to the challenge posed by the European markets and those from the United States, Canada, and Mexico. He believes that the governments should seek the integration of the different groups such as the Southern Cone, the Andean Pact, and the Latin American Integration Association (ALADI).

[Begin Iturralde recording] This is how we can start to negotiate with [words indistinct] those expanded markets that are so important and which have changed or will change the international market organization. [end recording]

Iturralde also referred to the task performed by the so-called Group of Rio, formerly known as the Group of Eight. He praised the Mexican Government's proposal that Bolivia join the Group of Rio. He said that so far the Group of Rio has carried out political rather than economic tasks, adding that Latin American countries' efforts should be aimed at uniting the Group of Rio and ALADI.

[Begin Iturralde recording] We have to make efforts to unite the Group of Rio, which is in charge of political matters with the ALADI, which deals with economic issues. There is no way to compare the Andean Pact with the Group of Rio in this case because the Andean Pact is both an economic and political instrument. [end recording]

Paz Signs Decrees Creating Indian Territories

PY0610132090 La Paz EL DIARIO in Spanish
25 Sep 90 p 1

[Excerpt] The national government has approved four supreme decrees that declare the Chimanes Region to be an Indian area and recognize the Siriono people's territory and the Isiboro-Secure National Park as Indian areas. One of the decrees establishes the creation of a commission to prepare a draft law for the Indian peoples of east Bolivia and the Bolivian Amazon Region.

During a ceremony described as "historical," President Jaime Paz Zamora signed the pertinent dispositions in the Government House hall [preceding word in English] in front of 800 east Bolivian Indians who expressed their happiness.

The president of the Republic said that one of the "most beautiful, clean, and important pages of contemporary Bolivian history" has just been written, granting the Indians their legitimate rights.

The Indians, who marched for 34 days from the Bolivian plains to La Paz, met their objective of "obtaining" the documents that establish their rights as citizens and the possession of their territory.

"The Bolivian people must understand the importance of what is happening," President Paz said and added that all Bolivian people have rights and that acknowledging the Indians' requests was fair for national coexistence.

Supreme Decree No. 22611 declares the Chimanes Region to be an Indian area for the social and economic survival and development of the Chimanes, Mojenos, Yucares, and Movimas Indians who live there.

The decree states that the Chimanes Region includes the former Chimanes reservation, plus additional areas proposed by the Technical and Socioeconomic Commission of the Agriculture and Campesino Affairs Ministry in 1989.

Decree No. 22609 recognizes as Siriono Indian territory the area traditionally occupied by these Indians, which is marked by 36 natural landmarks long known by the Siriono Indians in El Ibiato, San Javier Canton, Cercado Province, and Beni Department.

Supreme Decree No. 22610 recognizes the Isiboro-Secure National Park as Indian territory of the Mojeno, Yuracare, and Chiman peoples, who have historically lived there. This land constitutes a social and economic area necessary for development, and as of today, it will be called Indian Territory of Isiboro-Secure National Park.

Finally, Supreme Decree No. 22612 establishes the creation of a commission to draw up a draft bill for the Indian peoples of east Bolivia and the Amazon Region, including special specifications. [passage omitted]

Brazil

Company Negotiates Suspension of Contract

PY0810205490 Rio de Janeiro O GLOBO
in Portuguese 5 Oct 90 p 20

[Text] Brasilia—After breaking a contract for the supply of agricultural machines and equipment to Iraq, the Maxion Company has negotiated a simple suspension of that contract with the Iraqi State Enterprise for Mechanical Industry. To gain the release of 14 employees in Baghdad, the enterprise signed a commitment with its Iraqi counterpart promising to return to the country as soon as the situation in the region returns to normal. The enterprise itself is interested in returning to Iraq, where it has a \$200-million contract.

These reports were made to O GLOBO by Maxion Export Director Mario Brancato Fioretti, who was waiting for the arrival of the company's employees at Brasilia airport. A five-year contract, renewable for two consecutive five-year terms, was signed in 1988, when Maxion sold 600 tractors to Iraq after supplanting a German supplier. Last year, the company provided the same number of machines to Iraq, and this year's contract provided for the supply of 600 harvesters.

Of that total, 350 were already in Iraq when the crisis prevented shipment of the remainder. An Iraqi letter of

credit for \$2 million had already been released, but Maxion claims it did not receive the money because of the embargo.

Remaining 82 Employees Coming Home From Iraq

PY0810112690 *Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 8 Oct 90*

[Text] The Iraqi Government has granted exit visas to the remaining 82 Brazilian employees of the Mendes Junior company working in Iraq. They are expected in Brazil today.

They are the last group of Brazilians who remained in Iraq. Only Brazilian Embassy officials will remain in Baghdad. This was confirmed by Itamaraty spokesman Jose Vicente Pimentel. Ambassador Paulo Tarso Flecha de Lima, chief of the mission to free the Brazilians, as well as his wife, two other diplomats, and another family are aboard the plane that is bringing back the group of 82 Brazilians who worked for Mendes Junior. The company was building a highway in Iraq.

The Iraqi Airways 707 chartered by the Mendes Junior company will arrive in Brasilia. The Brazilians will be received by Foreign Minister Francisco Rezek, and then they will take another flight to Confins airport in Belo Horizonte. The trip will last approximately 10 hours.

Eleven Citizens Remain in Iraq

PY0910004490 *Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 8 Oct 90*

[Text] Eleven Brazilians who work for the Mendes Junior Company are still in Iraq. They have to comply with an agreement made with the Iraqi Government to finish the work started by the construction company.

Iraq Demanding Food Ransom for Detainees

PY0610024090 *Rio de Janeiro O GLOBO in Portuguese 5 Oct 90 p 21*

[Report by Jose Meirelles Passos]

[Excerpts] Brasilia—The 82 employees of the Mendes Junior Company who are still in Iraq are correct in fearing for their future, despite the fact that they have not been officially confirmed to be hostages of Saddam Husayn. So far Itamaraty and Planalto Palace have been avoiding using the word hostage to describe these people. This attitude, however, may no longer be maintained: The Iraqi Government is demanding a ransom for their release, and the price is nearly 330,000 tons of food. A high-ranking source at Itamaraty denied this demand last night.

Negotiations between the two countries are continuing under great secrecy. The official version is that the agreements have technically been settled and that the granting of the exit visas now only depends on one signature. Iraqi officials, however, are pressuring Brazil

to break the economic and financial blockade imposed on Iraq by the UN Security Council.

In a letter addressed to Itamaraty and dated 27 September, the Iraqi Foreign Ministry reported that its government is worried about the fact that Brazilian officials are not allowing four companies to comply with their food supply contracts. These deals were closed last March and June.

Although the Iraqi document—No. 7-7-2/66578—does not directly refer to a deal, it is being interpreted in Brasilia as a clear insinuation that the Mendes Junior employees will only be able to leave Iraq when that country receives compensation for the loss of the food contracts.

The letter, which was delivered to Ambassador Paulo Tarso Flecha de Lima in Baghdad and transmitted to Brasilia, includes a list of the goods and quantities of each product, the dates the deals were closed, the names of the companies that promised to send the food, and the dates on which the shipments should have departed for Iraq. [passage omitted]

The Iraqi Government is annoyed at the fact that Brazil immediately supported the UN-imposed blockade. This event has also been then subject of discussions between Itamaraty and Planalto Palace in Brasilia.

A high-ranking Brazilian Government source told O GLOBO: "The Brazilian Government's big mistake was to intervene in an operation that was outside its jurisdiction. The importers had already paid the contracts, and the merchandise was already in the hands of transporters, ready to be shipped. There was no need to hurry to comply with such zeal with the prohibition on trading with Iraq."

The delivery of the Iraqi letter marked an important change in the negotiations, according to another Brasilia official:

"The Iraqi letter is very harsh, clear, and specific. It does not leave room for negotiation. This document is creating an impasse that is becoming increasingly difficult to overcome," the source said.

Ambassador Paulo Tarso Flecha de Lima is sensing this himself. Despite his efforts, he seems resigned to spending a longer period than expected in Baghdad in search of a way to overcome this obstacle.

Demonstrating how desperate the situation is becoming, the Mendes Junior Company has prepared a 30-ton shipment of milk to send to Iraq to try to convince the Iraqi Government to free its employees. The idea, however, was not approved by Planalto Palace.

Rezek on Ties With Iraq, Nuclear Policy

PY0510133290 Brasilia Radio Nacional de Amazonia
Network in Portuguese 1000 GMT 5 Oct 90

[Report by Cristina Indio do Brasil]

[Text] Foreign Minister Francisco Rezek has said that in the next few days there should be a solution to the problem of the 82 Brazilians who are still held in Iraq.

He said that today any news on the granting of exit visas by that country is unlikely because it is a local holiday. According to the minister, it is a day of the week when nothing happens.

The minister added that the situation is unique, and the dialogue is delicate and difficult; however, there has been evidence that the Iraqi Government will not stop complying with rules concerning the treatment of foreigners and people's freedom.

Even with the difficulties in the negotiations, Minister Francisco Rezek believes no incurable damage has been done to relations between the two countries.

[Begin Rezek recording, in progress] ...[Word indistinct] slow and difficult negotiations, but so far these negotiations have not caused incurable damage to the commercial and civilian aspects of relations between the two countries. Of course, there are consequences—not just for Iraq, but also for many other countries—due to the fact that the new Brazilian Government is not preparing to work on strategic nuclear energy. This has nothing to do with that bilateral relationship. It is a general and collective policy. [end recording]

The foreign minister believes the Persian Gulf conflict will still be settled without violence. He believes that, after the speech delivered by French President Francois Mitterrand in the United Nations and other speeches that are currently being delivered, a peaceful solution is possible.

Brigadier Piva Comments on Iraqi Missile Project

PY0410184390 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 2 Oct 90 p A10

[Interview with Brigadier Hugo de Oliveira Piva by "R.L.," special correspondent in Baghdad; date not given]

[Text] [R.L.] Why didn't the Iraqis dismantle one of their Soviet-made missiles to see how it works instead of hiring a Brazilian team?

[Piva] Because they did not only want to make a copy; they wanted to learn how to produce one. We were hired to teach them how to carry out research and to develop specific solutions, and we achieved results we could also have achieved in Brazil had we had the money.

[R.L.] Isn't the head-on interception [intercepcao frontal] system somewhat advanced for Brazil?

[Piva] No. A missile that hits an aircraft head-on, basically, only needs two special devices: an extremely delicate infrared sensor capable of detecting the slightest heat generated by the target and a fuse that "receives orders" from the sensor instructing it to detonate the warhead at the appropriate moment. We have already designed that.

[R.L.] But that equipment is also highly sophisticated. Is the missile developed in Iraq capable of operating in any kind of weather?

[Piva] Not really. It is a simplified model, incapable of performing head-on interception in heavy rain, for example. Sometimes even a simple bank of clouds can interfere with the infrared sensor's performance. We started from square one, and we learned gradually.

[R.L.] Didn't the Iraqis complain when you decided to leave Iraq? How did you get your exit visas?

[Piva] I was in Brazil at the time of the invasion and received many phone calls from relatives of the engineers I had sent to Iraq. I went to Baghdad and found that many of the guys and their families were really uptight. This affected their work very much so I decided to bring them back. I visited the vice minister and held a very exhausting talk for an hour and 45 minutes. When I informed Iraqi Industry Minister Husayn Kamil [Hasan] of my decision, he refused to accept it. He said that the engineers had to fully comply with the contract. I rushed back to Brazil and met with Minister Socrates (Aeronautics Minister da Costa Monteiro), Ozires (Infrastructure Minister Silva), Pedro Paulo Leone (secretary for strategic affairs, formerly the SNI [National Service for Intelligence]), and Marcos Coimbra [secretary general of the presidency of the Republic, and the president's brother-in-law]. Ozires was very helpful. I suggested that a special government mission travel to Iraq to try to convince the Iraqi authorities, and that is what they did. On Sunday morning (16 September), as soon as he got here, Ambassador Paulo Tarso (Flecha de Lima, head of the mission Itamaraty sent to Baghdad) visited Minister Husayn from whom he got the same answer I did. After that I held a very exhausting meeting of an hour and 45 minutes with the vice minister. As I was getting ready to leave, he took me by the hand and, obviously moved, he told me that he would make an effort to obtain the authorization for their exit because the team I had sent to Iraq was one of the most willing to work for Iraq and one of the most courageous they had ever seen. The following Tuesday, 18 September, the same vice minister unofficially informed me that the exit visas would be granted. On Wednesday, 19 September, the minister told Paulo Tarso the same thing, praising the Brazilians' cooperation.

[R.L.] In terms of money, are the Iraqi Government's payments to your group up to date?

[Piva] No. I asked them to update some delayed salaries, which amounted to a significant sum of money, but the

vice minister told me there was no way they could do that because Iraq's funds abroad had been frozen.

[R.L.] Does the Iraqi military industry offer good working conditions?

[Piva] It does. The group in charge of developing the missile was headed by a brigadier who had a degree from England.

[R.L.] Do you think that the longest-range Iraqi rockets can hit Israeli and Saudi Arabian targets with precision?

[Piva] They already tried this during the war with Iran. They launched a rocket at a distance of 600 km and hit Qom, which is a small town. They still have a long way to go before mastering the known-how for inertial platforms, equipment to guide missiles. Nevertheless, the Iraqi war industry has reached a good level.

[R.L.] Do you plan to send Brazilian experts back to Iraq?

[Piva] Of course. I have a contract to honor, but I am also going to diversify the team's activities somewhat. We could probably work in the industrial automation field, for example. Anyone who can produce a missile can also design the automatic equipment to control the production line.

[R.L.] How much does it cost to produce an air-to-air missile in Iraq?

[Piva] Around \$40 million.

[R.L.] Has the Brazilian project carried out any tests?

[Piva] No. It did not even reach the scale-model phase.

[R.L.] Aren't you worried someone might try to kill you?

[Piva] (He stops to think for almost half a minute). Many people have asked me that, but I do not think I run that risk because what I am developing is not sensitive technology. If you had the money you could buy this missile.

[R.L.] How are you going to pay your team's salaries the next few months?

[Piva] I don't know yet. I am going to have to arrange some financing scheme. I tried to do that with the Iraqis but they said it was impossible.

[R.L.] Has the name you have earned through this incident helped more than harmed you?

[Piva] It has caused me great harm (lowering his head and with a soft voice). For someone like me, who served the country for 42 years...to be called a "mercenary brigadier"...is difficult, you know? It is difficult.

Collor Concludes Visit; Meetings Scheduled

PY0510181390 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 3 Oct 90 p A-7

[Report by Jaime Spitzcovsky in Prague]

[Excerpt] President Fernando Collor de Mello, 41, yesterday concluded his 22-hour visit to Czechoslovakia and is bringing home the results of a political rapprochement toward Czechoslovak President Vaclav Havel. The first result of this initiative was the decision to establish a system of consultations between the two governments during high-level meetings to be held at least once a year. Among East European countries, only the Soviet Union has a similar agreement with Brazil, an agreement that was signed in 1985.

At the end of Collor's visit to Czechoslovakia—Collor's first official visit to Europe—a joint declaration was signed by the two presidents emphasizing the private sector's role in the economy and the desire to enhance relations between the two countries in various fields. The protocol of intentions emphasizes as areas of Brazilian interest the export of information science technology, banking automation, and consumer goods. Czechoslovakia indicated its desire to cooperate in the fields of electric energy generation, irrigation, and urban transport.

Collor and Czechoslovak Prime Minister Marian Calfa met in the morning. Following the talks, a memorandum was issued in which the Brazilian Government announces its willingness to expedite the installation of a tram system, which was purchased from Czechoslovakia, in Belo Horizonte (Minas Gerais State). Prague expressed its desire to finance this \$270-million project.

It was mainly a political visit. Havel, who is a strong candidate for the Nobel Peace Prize, is the main representative of the democratic movements that unseated the Soviet bloc regime. He was the leader of the so-called "velvet revolution" ["revolucao de veludo"]. Collor was looking for more than just an economic partner; he was also looking for a political partner with an image associated with democracy and market economy. Havel is courting Brazil's economic potential. [passage omitted]

Collor To Attend Group of 8 Meeting in Caracas

PY0510192190 Brasilia Radio Nacional da Amazonia
Network in Portuguese 1000 GMT 5 Oct 90

[Text] President Fernando Collor will participate in a Group of Eight meeting next week in Caracas, Venezuela.

Representatives from Brazil, Argentina, Mexico, Peru, Uruguay, Venezuela, and Colombia will meet on 11 and 12 October.

The Bush plan will be one of the main issues to be discussed during the meeting. The group's expansion with the entry of Chile and Ecuador will also be discussed.

Five Americans Die in Plane Crash Near Bahia

PY0710002490 Rio de Janeiro Rede Globo
Television in Portuguese 2330 GMT 6 Oct 90

[Text] The bodies of the five Americans who died in an airplane crash south of Bahia State will be transported to Rio de Janeiro tomorrow. Four of them worked for American companies operating in Brazil, while the fifth was a U.S. Air Force officer and member of the U.S. Consulate in Rio de Janeiro. The accident took place yesterday afternoon in Alcobasa, 800 km from Salvador. They were travelling in a single-engine Cessna airplane from Rio de Janeiro to Prado, in Bahia State. The Aeronautics Ministry is investigating the accident.

Foreign Debt Negotiator Discusses Goals

PY0810152890 Rio de Janeiro O GLOBO
in Portuguese 6 Oct 90 p 28

[Text] Brasilia—The Brazilian foreign debt negotiating team will meet for the first time with the creditor banks Advisory Committee on 10, 11, and 12 October in New York to present the Brazilian proposal to pay its debt during President Collor's administration. It is not expected that an agreement will be reached during this meeting, said Antonio Kandir, Economy Ministry secretary for economic policy. Kandir, together with Ambassador Jorio Dauster, official foreign debt negotiator, will head the mission.

"We will make a detailed proposal on our ability to pay. The banks will not be able to analyze it to the point of reaching an agreement," Kandir said. According to him, the overdue interest, which he says will amount to \$10 billion (879.58 billion cruzeiros at the current commercial exchange rate) by the end of the year, will be included in the general proposal.

Kandir will be responsible for presenting the proposal to the committee. "We will present a basic framework taking into consideration the Persian Gulf crisis and its impact on the government's ability to pay, which has currently diminished as a result of external pressures," Kandir said. He added that the agreement will include safeguards in case the crisis worsens and affects Brazilian commitments to pay.

The committee of banks, made up of 17 creditor banks, will be joined by six more members proposed by the Brazilian Government (the French Societe Generale; Banque Nationale de Paris and Paribas; the German Commerzbank; the Swiss Swiss Bank Corporation; and the Portuguese and Atlantic Bank. The increase of the number of banks is aimed at guaranteeing greater receptivity for the Brazilian proposal to reduce the debt stock, through existing market mechanisms (such as bond issues, purchases on the secondary market with discounts, debt conversion debt, interest reduction, and debt rescheduling).

Minister Enumerates Limitations of Navy

PY0610151090 Sao Paulo FOLHA DE SAO PAULO
in Portuguese 2 Oct 90 p A5

[Report by Ricardo Julio from the Vale do Paraiba Bureau]

[Text] On 28 September Navy Minister Admiral Mario Cesar Flores told a group of Superior War College (ESG) students in Sao Jose dos Campos (Sao Paulo State) that the Brazilian Navy has no chance of ostentatious deployment. Answering a student's question about a hypothetical involvement of the country in the Persian Gulf crisis, Flores said: "Unfortunately, there is nothing to deploy in the combat area." The minister said the Navy's operational capacity is limited "to navigation near the coast."

Flores briefed the students on the inadequacy of the national navy and on the lamentable state of the fleet. He said the frigates (the largest ships used to defend the convoys) are "very vulnerable to air attacks." According to the minister, this is because the fleet was organized to fight "Soviet submarines." The maritime defense mechanisms are more modern and effective than the air defense mechanisms.

The minister said that the ships for troop and armored vehicle transportation are all "too old" and must be replaced or repaired immediately. The Minas Gerais aircraft carrier, the country's largest, can no longer be used for airplane takeoffs and landings. Flores said the Navy has reached the conclusion that "it is not worth" investing in the ship to use it as an aircraft carrier again. He added, however, that the Minas Gerais "is still indispensable as a helicopter carrier."

Minister Flores said the country does not have any mine sweeper capable of deactivating bombs that go off as a result of the pressure of ships' hulls. According to Flores, the Brazilian sweeper ships (a type of mine sweeper) can only detect and deactivate acoustic and magnetic mines. The national submarines are old and have a reduced range of action.

Minister Flores also said that the Navy will have to reduce its contingent by 2,000 men next year to cover the 10-percent cut in its budget. According to him, the cuts are unavoidable, although he believes that the Navy is already "below its necessities." He said the Navy will employ civilians for bureaucratic activities to balance expenses.

Flores said 1.34 percent of the 1991 federal budget will be assigned to the Navy. "A little less than the amounts assigned to the Army and the Air Force," he said.

He believes that Brazil spends "very little" on defense. In his opinion, it is "disagreeable to read daily press reports on Brazil's excessive and inadequate expenses on defense." He is looking for political support for a project aimed at reequipping the Navy and implementing the nuclear submarine project, which has already been

delayed. He said, however, that "the country may not be in a position to invest in that now."

In addition to the problems with the fleet, Minister Flores expressed "great concern over the slow naval training that the Navy is forced to have." According to him, there is a "serious" shortage of resources for training troops and for deployment of the naval force in exercises. He believes it will be necessary to invest 1 billion cruzeiros in personnel training and exercises.

According to the minister, reequipping the Navy would cost \$2 billion, which would be spent over 10 years. Construction of an aircraft carrier and a nuclear submarine are not included in this budget. The cost of the aircraft carrier alone is estimated at \$400 million, plus \$400 million more for the purchase of appropriate planes. The Navy's nuclear submarine would cost \$365 million including construction of a reactor and knowledge of the fuel cycle.

Flores said that since 1978, Brazil has been investing less than one percent of its GDP in defense. According to him, this is less than neighboring countries are spending for weapons.

International Bank Branches To Reserve Dollars

PY0610152090 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 6 Oct 90

[Report by Sonia Silgueiras]

[Text] The international branch offices of Brazilian banks will have to establish a reserve in dollars to cope with overdue foreign debt payments. This measure is contained in a Central Bank resolution. The capital to be raised totals \$1.6 billion.

According to Gilberto Nobre, chief of the Central Bank Foreign Exchange Department, the Brazilian banks that are creditors for the country's foreign debt will do what international creditors have already been doing for a long time: Create a reserve that will guarantee their financial soundness in case of a definitive suspension of payments on debt notes receivable. Such a reserve will have to be equivalent to at least 25 percent of the total debt and would total \$1.6 billion. The banks will be forced to reach this percentage within 12 months and remittances in dollars will have to begin in December.

Gilberto Nobre denies that this measure has anything to do with a possible definitive suspension by the Brazilian Government of payments on foreign debt interest rates, payments that have been suspended since July 1989.

According to Nobre, this provision was designed to protect the institutions in case they are suddenly forced to give up investments made by third parties, investments that are now closing the gap left by overdue interest rates.

The Bank of Brazil and Banespa [Bank of the State of Sao Paulo] will be the ones most affected by this resolution because they are the country's largest Brazilian creditors.

Officials View Launch Site-for-Technology Trade

PY0510214090 Rio de Janeiro O GLOBO in Portuguese 2 Oct 90 p 25

[Report by Claudia Maciel]

[Text] Moscow—Lieutenant Brigadier Socrates Monteiro, Brazilian aeronautics minister, who is now on an official visit to the Soviet Union, has made a proposal to Aleksandr Dunayev, director of the Soviet space agency Glavkosmos, to use Brazil's space bases (the Alcantara base in Maranhao State and the Barreira do Inferno base in Rio Grande do Norte) for Soviet launches. Socrates Monteiro is also trying to arrange with the Soviets the transfer of liquid fuel technology to be used in Brazilian rockets.

The director of Glavkosmos said: "Our experts who visited the Brazilian bases were impressed. The locations are excellent and the infrastructures perfect. We can invest and participate in the improvement of those bases for future joint launches."

Socrates Monteiro explained that the bases are the property of the Brazilian Air Force, which is interested in their commercial utilization.

He said: "Our space programs require large amounts of resources, and we have to find a way to generate those resources. The Brazilian Armed Forces also want to participate in research activities aimed at putting their own vehicles in space."

To that end, Minister Monteiro reported that a program to launch a 200-kg vehicle into a low orbit is in its final stage. The vehicle, which is assembled in three sections, will operate on solid fuel. Socrates Monteiro affirmed that Brazil has not yet been allowed access to liquid fuel engine technology because of what he called a "blockade" by developed countries.

Since the Aeronautics Ministry projects are intended exclusively for peaceful purposes, Socrates Monteiro believes that there is a possibility of the Soviet Union contributing through the transfer of liquid fuel technology.

The minister emphasized to the Glavkosmos director the need to immediately exchange experts between the two countries to speed up the implementation of the agreement on scientific and technological cooperation that was signed between the USSR and Brazil.

Nuclear Development Recommendations Made

PY0510151490 Rio de Janeiro O GLOBO in Portuguese 30 Sep 90 p 59

[Report by Paulo Motta]

[Text] A report on the Brazilian nuclear program's scientific and technological sectors submitted by a working group to President Fernando Collor recommends the development or the conclusion, by the year 2015, of seven nuclear reactors, all of them outside international safeguards, for study or commercial purposes; seven projects aimed at mastery of the nuclear fuel cycle at the laboratory and industrial level; a thermoelectric radioisotope generator; and an electron accelerator. The report also recommends programs for storing and processing radioactive waste, for developing zirconium and hafnium technology, and for producing heavy water and radioisotopes.

This chapter of the document, which runs from page 24 to page 42, recommends making new investments in the sector, before the year 2000, of approximately \$1.93 billion. Thus far, \$411 million has been spent on those projects, the total cost of which will amount to \$2.35 billion, excluding private sector investment and possible changes in the programs.

According to the report, the path Brazil should naturally follow to master nuclear reactor technology is the same path followed by countries that have developed the technology for large power plants. This path involves the development of small units to gain experience—at a low cost—in the fields of design, construction, and evaluation.

The group of water-cooled pressurized reactors includes the 11-megawatt National Water-Cooled Pressurized Reactor (Renap-11) in Aramar (Sao Paulo), which the Navy is developing and which is in an advanced stage of development. All major parts for the Renap-11 are being built in Brazil. Construction of this reactor—for which \$195 million has already been spent, with expenses of \$395 million still pending—is scheduled to be completed in 1995. A Navy and CNEN [National Commission for Nuclear Energy] project, which stems from the Renap-11, is the 100-megawatt National Water-Cooled Pressurized Reactor (Renap-100). This reactor, which is in the design phase, will have internal protection systems and will be used in mini-nuclear power plants. According to the report, five Renap-100 units can together produce up to 500 megawatts. Individual Renap-100's can be used in strategic systems in remote areas. This reactor is scheduled to begin operating in the year 2000. Development of the Renap-100 will cost \$100 million, while construction will cost \$300 million.

As for gas-cooled reactors, the Army Technological Center (Cetex), located in Rio de Janeiro, has been developing them since 1982. Cetex has a subcritical unit and is trying to build an Experimental Irradiation Reactor (REI) because the center has already mastered nuclear-grade graphite technology. The project's objective is development of a High Temperature Gas-Graphite Modular Reactor. The REI will be ready in 1994. Thus far, \$49 million has been spent on the REI, with \$72 million in expenditures still pending. The place where it will be located has not yet been established. The report recommends that the REI have no more than five

megawatts of thermal power. This is an indication that it will not be used for the production of plutonium (the material for bombs).

Special reactors are those that are needed for the complete mastery of nuclear technology. They are the reactor for material testing (Retema), the space reactor, the high flux reactor for physics research, and the regenerative reactor. The Navy and CNEN are designing the Retema for construction in Aramar. It is a high neutron flux reactor for testing materials. This reactor can be used to process fuel for other reactors. The report states that this reactor is necessary to support the development of naval nuclear propulsion. The reactor, which is scheduled to begin operating in 1997, will cost \$268 million.

Space reactors are part of a project that the Air Force Aerospace Technology Center's (CTA) Institute of Advanced Studies began in 1987 with a view toward using reactors in Brazilian satellites. Construction and testing of a model for generating 100 kilowatts is scheduled for 1995. A thermoelectric source will be used to simulate the reactor. This phase will cost \$1 million. Construction of a small reactor has been scheduled for the year 2000. The working group recommended construction of a high flux reactor for physics research, noting that the Center for Nuclear Technology Development and the Federal University of Minas Gerais can build it. The reactor will be used to perform studies in the areas of nuclear and solid state physics. It will cost approximately \$230 million.

The regenerative reactor, which is still being developed around the world, would allow Brazilian fission reactors to operate for many more years because they operate with mixed uranium and plutonium oxides. Despite the fact that there are still doubts about its commercial feasibility, the report states that it would be advantageous for the country to continue with the corresponding research. Efforts should concentrate on developing the sodium-cooling system with a view toward building a uranium-plutonium or uranium thorium-fueled experimental 20-megawatt fast reactor at the beginning of the 21st century's second decade.

Other projects are: A linear electron accelerator, which was begun in 1985 and is destined to set the parameters for nuclear activities in the country. It is scheduled to begin operating in 1994 and will require an investment of more than \$5.8 million. Another project is a thermal radioisotope generator, which is a CTA project that can be used for future Brazilian space probes or for generating power for navigation buoys and air traffic control radars in barren regions. The objective of this project is to build a 15-watt prototype by 1993. In the prototype, an electric power source will replace the nuclear source. The cost will be \$1 million. The second phase provides for construction of a similar prototype in 1996 with a nuclear source purchased abroad. The cost will be \$1.2 million. The third phase, according to the report, will depend on whether Brazil decides to build a plutonium reprocessing plant because plutonium is the fuel for the

generator. The report recommends construction of a unit that will generate several hundred watts.

Report Recommends Uranium Enrichment Methods

PY0510230390 Rio de Janeiro O GLOBO
in Portuguese 30 Sep 90 p 59

[Text] In the chapter dealing with scientific and technological development, a report submitted by the working group of the Pronen [National Nuclear Energy Program] recommends increasing the efforts to master the fuel cycle technology. The need to master the fuel cycle stems from the need to feed Brazilian reactors, both now and in the future, and the need to overcome the strategic restrictions imposed by the international market. The report says that these restrictions have led to the implementation of the Brazilian autonomous program.

One of the projects recommended by the report is the purification and conversion of uranium hexafluoride, a process whose technology was mastered at the laboratory level by the Institute for Nuclear and Energy Research (Ipen) in 1979. Uranium hexafluoride is a gas through which it is possible to separate isotopes for enrichment.

A pilot plant for the production of this radioactive gas began to operate in 1983. Its annual output is 23 tons of gas, which is essential for the enrichment process. In 1988, the Navy Ministry began the construction of an industrial pilot plant in Aramar. The reports says that the plant, whose output of gas will be 300 tons per year, will begin operating in 1995 and will cost \$200 million.

Concerning uranium enrichment, the Pronen working group says that priority should be given to projects that use ultracentrifugation (Aramar) and the laser process (CTA) [Aerospace Technology Center], leaving the jet nozzle process, which is used in the project with the FRG. The report questions the economic feasibility of this process.

The report adds that construction of an additional module of the Almirante Alvaro Alberto Isotope Enrichment Pilot Plant will be completed in Aramar this year. This will make it possible to supply 20-percent enriched uranium to the IEA-R1 reactor of Ipen. The IEA-R1 is the only Brazilian reactor that is producing radioisotopes. It has been difficult to obtain fuel for this reactor on the international market because the countries of the so-called Atomic Club have restricted the sale of nuclear material to Brazil.

The report states that the capacity of the ultracentrifugation plant at Aramar is 1.8 UTS [separative work units] per year per machine, and that a new generation of 3 UTS/year machines has already been developed. The report adds that a 10 UTS/year model is being developed and that a 25 UTS/year model is at the design stage. The objective is to build a 100,000 UTS/year industrial pilot plant by 1996. The plant's total cost will be \$330 million.

The laser enrichment process, which the CTA began to study in 1972, has been divided into two projects: One dealing with the atomic separation process, which is considered potentially more efficient, and the other handling the molecular separation process.

The report says that both processes are at the laboratory stage. A pre-pilot plant [usina pre-piloto] that is able to evaporate four kg of metallic uranium is being designed and should be ready in 1993. The working group estimates that the plant will cost \$15.7 million and that operational expenses will be \$1.2 million.

Production of ceramic pellets: There is a project for building a 36 ton per year pilot plant in Aramar. The plant is scheduled to begin operations in 1994. The production of fuel for Renap-11 and for Retema will cost, according to the report, \$43.5 million.

The reprocessing of spent nuclear fuel to obtain plutonium is considered necessary for definitively solving the problem of waste and for extending the useful life of Brazilian reactors.

The report stresses that at the current stage it is not necessary to master the reprocessing of spent fuel; however, it recommends continuing with the laboratory work at IPEN; programming the construction of a \$200-million pilot plant in the year 2005; and considering the possibility of building the plant near the radioactive waste dump.

Paper Evaluates Key Officials in Nuclear Program

PY0610174690 Rio de Janeiro O GLOBO
in Portuguese 30 Sep 90 p 59

[Text] The gallery of figures linked with Brazil's nuclear development undoubtedly begins with Admiral Alvaro Alberto. It is certainly not by chance that both the Angra dos Reis nuclear power plant and the Aramar uranium enrichment plant were christened after him. The admiral was the first Brazilian to develop nuclear projects in the period following World War II. He was even charged with smuggling the first centrifugation machines into our country. Colonel Teofilo Portela Chagas, who did research on heavy water at the Military Engineering Institute (IME) in the 1960's, was another pioneer.

Brigadier Hugo Piva, who is now involved in secret projects for the transfer of military technology to Iraq, also played a historical role, despite the fact that his nuclear activities are more recent. Piva, who studied at the Aeronautical Technology Institute (ITA), was one of those responsible for development of the weapons production area and for the use of nuclear energy at the Aeronautical Technical Center (CTA). He was known as the "missile man" because he always advocated an autonomous space program, like the one he implemented at the CTA when he was director of that institution. Piva knows every detail of the Parallel Nuclear Program.

Rex Nazareth Alves holds an outstanding position in the gallery of more recent "nuclear figures." He headed the National Commission for Nuclear Energy (CNEN) during the Figueiredo and Sarney administrations. He was one of the few leaders of the old republic to pass unhurt to the new Republic. Nazareth was the guide for the Parallel Nuclear Program and a staunch defender of Brazilian technological development. He operated secret parallel bank accounts to fund the projects. He undoubtedly has a natural inclination toward secret operations. In the Collor administration he was replaced by Luis de Santana Carvalho.

There are several figures in the nuclear military area. Rear Admiral Othon Luiz Pinheiro da Silva, who is president of the coordinating board of special Navy projects, is a staunch defender of Brazilian technological independence. He is one of the stars who played a decisive role in development of the so-called Autonomous Nuclear Program, which was initiated in 1979 by a group of military men who were dissatisfied with the results of the Brazil-FRG nuclear accord, which was signed four years earlier. In 1975, the year when President Ernesto Geisel agreed with the FRG on the purchase of a gigantic black box of nuclear technology, then Frigate Captain Othon Luiz Pinheiro da Silva was sent to the United States to take a postgraduate nuclear energy course at the Massachusetts Institute of Technology (MIT), which is one of the world's leading research and technological development centers.

His first decision was to recommend that the Directorate of Naval Engineering, in Rio de Janeiro, develop nuclear research without the participation of Nuclebras [Brazilian Nuclear Corporations, Inc.], which was managing implementation of the Brazil-FRG accord. He proposed a totally different method for producing nuclear fuel—the ultracentrifugation method. The green light to begin a parallel nuclear program came less than one year later from Rear Admiral Mario Cesar Flores (at that time he was Navy chief of staff) and from Navy Minister Maximiano da Fonseca.

Air Force Colonel Reginaldo dos Santos is current leader of the Air Force nuclear projects. He has headed the Institute of Advanced Studies since its creation. A Ph.D. from Purdue University, Indiana (United States), where he majored in high energy lasers, Dos Santos joined researcher Sergio Porto's group at Campinas University in 1978. Porto coordinated the CTA project for uranium enrichment through lasers. Dos Santos is considered the main disciple of Colonel Jose Albano do Amarante, who until his death in October 1981 tried to continue with Porto's research.

In the Army, in addition to Colonel Chagas, a pioneer, and to General Venturini, who headed the currently defunct National Security Council at that time, the new generation of nuclear figures includes Army Secretary of Science and Technology General Romero Lepesqueur

and General Nelson Querido, director of the Special Projects Institute (IPE) of the Army Technological Center.

Today, however, the most important man for the Brazilian nuclear future—obviously, in addition to President Fernando Collor—is Secretary for Strategic Affairs Paulo Leone, who coordinated the working group that formulated the proposals for the new nuclear program. Leone, however, is also fond of secrecy.

Minister on Nuclear Program, Alleged Test Site

PY0510224290 Rio de Janeiro O GLOBO
in Portuguese 3 Oct 90 p 26

[Report by Jose Eustaquio de Freitas]

[Text] Sao Jose dos Campos—At a conference for trainees from the Association of War College Graduates, ADESG, Navy Minister Admiral Mario Cezar Flores said that President Fernando Collor had decided to deactivate the existing holes at testing grounds in Cachimbo, south of Para, after meeting with the military ministers. The conference and debates that took place at the Aerospace Technology Center (CTA) were confidential.

The minister said he was not familiar with the Solimoes Project—a project to develop an atomic bomb, as revealed by Collor—or the holes dug in Serra do Cachimbo, allegedly for nuclear tests. According to the Navy minister, the Aeronautics Ministry never admitted that the holes were to be used for atomic explosions. Admiral Mario Cezar Flores noted that none of the military ministers, not even the Armed Forces chief of staff, knew the purpose of the holes in Cachimbo.

The Navy minister said the slow flow of funds for research on the nuclear program and the need to further discuss the program and to obtain political support for its continuation are factors that will contribute to further setting back the Navy Ministry's deadline for its atomic submarine project. This means that the first tests of the 11-megawatt experimental reactor—which were originally scheduled for 1995—will be delayed, postponing the construction of the submarine until the end of the century.

The minister was surprised to be asked about the president's intention to reduce the military presence in the nuclear field.

"That is an stunning question, and it should be addressed to the president; I never thought about it like that and I never worried about it. I do not know why this is being discussed, and the question surprises me," the minister said.

During the debate with the ADESG trainees, the Navy minister revealed that his ministry will spend \$365 million to develop nuclear technologies, \$168 million of which will be used on the fuel cycle. The remaining funds will be used to develop a reactor. He said that the

Brazilian nuclear program must be approved by Congress and the public as well.

"I hope society will decide in favor of nuclear propulsion and understand that this is a Brazilian program that is not connected with atomic bombs, as has unfortunately been suggested by some sectors," the minister stated.

Details of Electric Motor for Nuclear Submarine

PY0910142090 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Oct 90 p 18

[Report by Wagner Barreira]

[Text] The University of Sao Paulo's Polytechnic School yesterday unveiled an electric motor for the nuclear submarine that the Navy plans to build in the next decade. A group of 15 engineers are working on the project, which has already developed a 100 hp [horsepower] prototype (less power than a trolleybus motor). While this prototype is being built by the Villares Company, the group is working on a 1,000 hp motor (the power of a subway car) that should be in operation in three years. A 10,000 hp motor for Navy ships should be ready in 10 years.

A motor for a nuclear-powered ship, with similar characteristics and specifications, cannot be found on the market. Rear Admiral Othon Luiz Pinheiro, president of the Navy's Technological Development Agency (Copesp), believes: "Everybody in the world will use this motor in time." He emphasizes: "This is technology that is here to stay." The cost of the prototype was \$600,000, and the whole project is estimated to cost \$3 million, which will be divided between Copesp and Finep (Funding Authority for Studies and Projects). The motor's development involved various fields of knowledge and was coordinated by Professor Orlando Silvio Lobosco. The motor uses rare earth magnets (samarium and cobalt alloy) to generate a magnetic field. The rare earths were mined by Nuclemon [Nuclebras Monazite and Associated Elements, Ltd.] and processed at the Copesp laboratories. Magnets of this type are used in smaller motors developed by the Siemens company. The German industry uses a 1,500 hp motor of this type for ship propulsion. Professor Lobosco affirms: "We have developed a motor that is twice as powerful as conventional motors, occupying a relatively small space." The project also foresees a piece of equipment with high reliability, easy maintenance, and independent control of torque and speed.

Professor Lobosco says: "The electronic commands permit adjustments that eliminate a waste of energy and provide better drivability." The motor also has another advantage that is useful for military purposes—it is quiet and almost sonar-proof.

Clovis Goldemberg, one of the engineers participating in the project and son of Jose Goldemberg, national secretary of science and technology, says: "The project we are developing will not qualify for a Nobel Prize, but few

scientists in the world are tackling the challenge of building a motor of that power with permanent magnets." He adds: "This motor is the result of a combination of the latest technologies." In the opinion of Rear Admiral Othon Luiz Pinheiro, the new motor, bearing the long name of "motor with permanent magnets and electronic commutation," is the result of a new outlook in the development of national technology. He says: "We have had enough of importing black boxes," adding "with this project, we demonstrate that we can learn by doing."

The project has been developed for the Navy, but Finep will transfer it to national industry, collecting royalties. The motor can be used in machinery, industrial equipment, robots (Japan is already doing that), steelmaking plants, cellulose and papermaking plants, and transportation. The French high-speed train uses a motor of the same type. The technology of rare earth magnets also has an assured market in the manufacture of loudspeakers. "In addition, we are going to transfer to Polytechnic School students a whole spectrum of knowledge not directly related to this project," Professor Lobosco affirms.

Official Vote Count Behind Schedule in 15 States

PY0610171490 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 6 Oct 90

[Report by Luiz Augusto Mendonca]

[Text] The total vote count is behind schedule in 15 states. Mistakes in filling out polling station bulletins have caused the Serpro [Federal Data Processing Service] computers to reject nearly all material sent to the data processing center in Brasilia.

The Serpro is holding (?balloting table officials) responsible for the delay in the official vote count in several states, including Rio de Janeiro, Sao Paulo, Minas Gerais, and the Federal District. Incorrect bulletins are being returned to the vote counting boards so the latter can make clean copies of the bulletins.

The high rate of blank votes, null votes, and abstentions is frightening the TSE [Superior Electoral Court]. According to surveys, 55 million Brazilians did not vote or made a mistake in their ballots in the proportional representation elections.

In the opinion of TSE President Sidney Sanches, the main reasons for a large portion of the voters remaining far away from the ballot boxes were disenchantment, a lack of interest, and a lack of information.

A survey conducted by the IBOPE [Brazilian Public Opinion and Statistics Institute] reveals that the number of abstentions, blank votes, and null votes in the proportional representation elections could total 55 million, which means that 60 percent of the voters either made a mistake in their ballots or did not vote for federal and state deputies.

[Begin Sanches recording] Voters may be disenchanted, but they also may not be interested. They may even be uninformed about who the candidates are, the candidates' lives, and whether the candidates deserve their votes or not.

All of this is worrisome because it is necessary for voters to convince themselves that they can change things in the country if they go to the polling stations and vote, choosing the candidate they believe is the best.

If they believe that in choosing, the country's problems will not be resolved, then the problem is more serious; perhaps voters are not even interested in democracy. [end recording]

Sidney Sanches added that despite the high rate of abstentions, the legality of the elected candidates is guaranteed by the Constitution. Yet, there remains a question: If so many people abstain, it is possible that the elected candidates would not have been elected if the abstainers had gone to the polling stations and voted for other candidates, Sanches concluded.

Mexico's Salinas de Gortari To Visit

PY0510205990 *Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 5 Oct 90*

[Text] Mexican President Carlos Salinas de Gortari will arrive in Brazil on Tuesday [9 October] for a three-day visit.

Beginning with the visit of the Mexican president, the presidency of the Republic's protocol section will implement a new form of reception for foreign heads of government: President Fernando Collor will now receive guests at the Planalto Palace ramp. Previously, guests were received at the Brasilia Air Force base.

Chile

Seven Freed Hostages Return From Iraq

PY0510182590 *Santiago Television Nacional de Chile Network in Spanish 1700 GMT 5 Oct 90*

[Excerpts] The seven Chilean citizens who had been held in Iraq arrived in our country a few minutes ago aboard a Varig [Rio Grande do Sul Airline] plane from Frankfurt am Main. They had been held because of visa problems since Iraq invaded Kuwait and became the target of an international blockade. [passage omitted]

While in Iraq, these Chilean professionals worked on a Cardoen [weapons firm] project for the construction of an electronic fuse plant.

Weapons Firm Selling Cluster Bombs to Ethiopia

PY0710215890 *Madrid EFE in Spanish 1403 GMT 7 Oct 90*

[Text] Santiago, 7 Oct (EFE)—Journalist sources in Chile reported today that a Chilean weapons firm owned by businessman Carlos Cardoen is selling "cluster bombs" to Ethiopia—the same type of bombs that were sold to Iraq during its war with Iran (1980-1988).

The bombs are being used by the Ethiopian Government against independent forces in different parts of the country that are fighting against Lieutenant Colonel Mengistu Haile-Mariam, who has been governing that country for 12 years.

According to the Chilean newspaper LA EPOCA, the weapons sales, authorized by the military government of General Augusto Pinochet, have not been forbidden by the executive branch of President Patricio Aylwin, who has been in power since March 1990.

The last shipment of "cluster bombs" was sent by plane from Iquique, 1,857 km north from Santiago, where Cardoen has an assembly plant.

After the invasion of Kuwait by Iraq on 2 August, seven Cardoen experts were held in Baghdad. They returned to Santiago last Friday [28 September] via Amman after intensive negotiations by the Chilean Foreign Ministry.

U.S. Sanctions To Be Lifted Before Bush Visit

PY0510210990 *Santiago Radio Chilena Network in Spanish 1600 GMT 5 Oct 90*

[Text] Foreign Minister Enrique Silva Cimma has said that he is certain that the United States will lift the sanctions imposed against Chile before President George Bush visits our country.

Minister Silva Cimma accompanied President Patricio Aylwin on his tour of Ecuador, the United States, and Mexico, where he noted the good reputation that Chile enjoys abroad.

Silva Cimma was asked about the disappointment expressed by some sectors that believe that the U.S. Government has made very few concessions to our country.

[Begin Silva recording] I believe that many people do not understand something which, in my opinion, is quite clear: The U.S. position reveals clear recognition of what the Chilean democratic regime represents, and, consequently, I am certain that many of the pending issues will be solved before President Bush visits us. [end recording]

Minister Silva Cimma noted that the most positive aspects of his 11-day tour are the full assimilation of Chile into international events and the fact that the new democratic government is being acknowledged.

The foreign minister answered those who believe that emphasis has been placed on Chile's incorporation to the international arena because other expectations have not been fulfilled.

[Begin Silva recording] I believe that this must be upheld by those who were unable to accomplish this objective. These people can today attest to the fact that Chile's reentry into the international arena is not mere semantics. It is something tangible. This is a fact because now everyone is interested in Chile's political and economic situation. [end recording]

The foreign minister noted that government expectations at an international level have been amply fulfilled and that investors now are confident enough to invest in Chile.

President Aylwin Addresses Welcoming Crowd

*PY0910144690 Santiago Domestic Service
in Spanish 2212 GMT 4 Oct 90*

[Speech by President Patricio Aylwin from the balcony of La Moneda Palace in Santiago—live]

[Excerpts] Friends, fellow countrymen, thank you for being here at Constitution Square this afternoon. I clearly understand that this rally is not intended as homage to a person. It is an expression of the people's satisfaction with their fatherland's success. When the president of the Republic of Chile leaves the national territory and is received by the rulers of other nations; when he meets with all Latin American and Caribbean presidents; when others listen to him carefully; when he receives the applause of the UN General Assembly, an organization where all nations are represented; and when he participates in the world summit for children with 70 other heads of state, it is not the person who is successful, it is Chile that is being received, it is Chile that finds the open arms, understanding, and affection of other world nations.

When Juan Somavias, Chilean ambassador to the United Nations, is designated president of the socioeconomic commission, which is one of the most important commissions; when Minister Alejandro Foxley is named to an important position with an important function at the IMF; when Minister Jorge Jimenez is named to a high position at the international office on health, it is Chile that is being honored because the peoples of the world can again trust Chile as a democratic nation.

When, after short negotiations, creditor banks agree to postpone payments on the principal of our foreign debt for four years, relax the mechanism of our interest payments, and agree to open a new voluntary credit line and grant new loans if the country requires them, they are saying that they trust Chile and its economy.

When agreements are reached with Ecuador, Mexico, and even the United States to establish a basis for free trade between our countries, and when regulations are

adopted to increase our exports, they are saying that Chile deserves to be trusted in international markets, that the country has the dynamism to advance in this area, which is so essential to our economic growth.

When the Chilean president can talk to the U.S. President and convey to him, in a cordial, frank dialogue, our complaints and our criteria on aspects of our relations in which we believe we have not been treated adequately; when the U.S. President listens to the Chilean president's proposals; when the U.S. President gives instructions to his assistants to study the solution set forth by the Chilean president, it is our country that via diplomatic channels, via the understanding of peaceful relations and reasons, is opening the way to solving its problems. [passage omitted]

In my 21 May address to a joint session of Congress, I said that our government had five important tasks. One of those tasks was the full reentry of Chile in the world. Today we can say with great satisfaction that this task has been fulfilled. Chile has returned to the world in full and enjoys the prestige of a dignified, free, proud, and sovereign nation, a nation that seeks a future of justice and peace for mankind. [passage omitted]

For the president of a country, contacts with other presidents are good for exchanging experiences and seeking understanding. Countries often have joint, reconcilable, and analogous interests. In the case of Latin American nations, we have similar realities and common interests to face in our relations with the great world powers or with the most developed nations.

Sometimes there are opposing interests, and in rare cases, personal contacts between the presidents of different countries serve to better exploit common interests and exchange ideas to take greater advantage of common potentials, or to seek, with intelligence and goodwill, peaceful solutions to controversies and points of disagreement. This is what we have witnessed in the world over the past two years.

The world has also witnessed something very fascinating: The walls dividing nations have been torn down, tyrannies have been overthrown, and the people have extended their arms in a friendly gesture, with democratic spirit, with respect for each other, to create a world of peace, justice, and freedom. [passage omitted]

Today I want to share with my fellow citizens not only my satisfaction, but also my concerns as president. I am deeply concerned about the unexpected petroleum crisis affecting the world, including our fatherland. In fact, this is something that emerged unexpectedly when everyone was living in a climate of peace. The Persian Gulf crisis unleashed by the Iraqi invasion of Kuwait has provoked a climate of tension and danger to world peace. It has also provoked a petroleum crisis, which is a main energy source and is indispensable for modern world economies, and has thus seriously jeopardized all economies.

In my conversations with the presidents of European countries, of the United States, and of Latin America and Asia, all of them expressed concern about a possible aggravation of this crisis. In August 1990, petroleum was sold at \$18 per barrel. Now, as a result of the crisis and of a possible war in the Persian Gulf, it is being sold at approximately \$40 per barrel. This means the petroleum price has more than doubled.

This affects our country very seriously, especially because we are essentially petroleum importers. We produce only 15 percent of the petroleum we need to meet demands for transport and national industries. We import 85 percent of the petroleum we consume. This means that when prices increase from \$18 to \$40 per barrel, our monthly expenses increase by \$50 million. This means that every month we have to pay 15 billion pesos for the petroleum we need.

Because of this situation, in August we increased prices to the equivalent world market price, \$25 per barrel. But it is still increasing and the difference in fuel prices, based on the cost of \$25 per barrel, and the price we are paying today for imported petroleum, \$40 per barrel, implies a disbursement of \$1 million daily—300 million pesos daily.

This is a very serious problem for our economy. The Treasury cannot pay for this indefinitely. Fortunately, we have reserves and we have an export surplus. We have a favorable balance of payments, but no country can live indefinitely with such a deficit.

Moreover, increasing oil prices immediately to a price equivalent to the international trade price would seriously affect prices and transport tariffs and all sectors where petroleum is used.

During the past month, the consumers price index increased 4.9 percent, not because the government wanted it to increase or because it overlooked this situation. It was essentially a consequence of the petroleum crisis.

How long will this crisis last? Will the conflict be solved in perhaps one or two months, and will the solution be favorable to all? Or will we absorb this situation of oil that now costs twice as much?

I want to say this clearly to all Chileans: This is a serious emergency that is affecting our normal development. This situation has raised obstacles to our effort to curb inflation, promote economic growth, and preserve social justice to protect the poorer sectors of the country.

Not only the government, but Chile as a whole is affected by this crisis. This is a problem affecting Chile and all Chileans, and not the government or a small group. We must understand and accept this. [applause]

You know, because I have repeatedly said that we want economic growth with social justice, we want to promote the modernization and growth of our economy; to

increase production of the country's wealth, as an essential basis for improving the living conditions of all Chileans; and to open up new possibilities for future generations. We have also said that we want, and that we consider it essential, to base our efforts on the principle of social justice so that the fruits of these efforts are shared not only by a few, but by all those who contribute to it, especially the workers and the poorest sectors. [applause]

The country has witnessed the tremendous efforts we have been making over the past few years—because we are convinced that this can happen—to prevent the risks of an inflationary process undermining the economic growth process, especially for those who depend on wages that are losing their purchasing power daily because of inflation.

We are committed to facing this problem. We are convinced that we will find a good solution because we have a solid economy and because our economy is based on solid pillars. We have good reserves. We have an economy that exports much more than it imports. Investors are increasingly more interested in investing in Chile.

There are those who dare to say that what is happening and what has happened to us with the oil crisis, with last month's consumer price index is a sign that inflation has been reborn in this country and that growth has come to a halt. I want to clearly and responsibly say: This is the danger affecting all nations throughout the world. This is what presidents from different countries throughout the world told me, and if the Persian Gulf crisis is not solved, and if we do not find a way to solve the oil crisis, the petroleum price increase will entail not just for Chile, but for all countries—except for the petroleum producers—the risk of inflation on the one hand, because of price increases, and the risk of economic recession and a slowdown in the pace of growth, on the other hand, due to the higher cost of this product, which is essential in the modern economy.

We should not be alarmed by those who want to frighten us and those who, in an unorthodox manner, seek to blame the government for what is happening, which is very unfair.

I want to call upon all of my fellow citizens to be more generous and to understand what is happening, and not to fall into the same mistake of those who said that democracy would bring chaos and that if we governed, there would be violence and disorder. Facts have denied this, and will deny it again in the future.

The oil crisis entails risks for all countries. We have to face these risks by jointly shouldering the burden, each one to the extent of his own ability. All of us should cooperate—workers, businessmen, social organizations, women, and youth. All Chileans must understand that this is not a problem for the government or for a certain group, but for the fatherland.

The fatherland shows its potential at the hour of affliction. When there are problems, it shows its potential to overcome them. Throughout its history Chile has demonstrated that it is capable of doing so. I want to call upon all my fellow citizens to cooperate to resolve this situation. We will have to tighten our belts for some time, but the government will not spare efforts to achieve the objectives of curbing inflation, promoting growth, and fostering social justice, especially among the poorest sectors. [applause]

Fellow citizens, today I wanted to talk to you about all these things, about our joys and our concerns, because during my term in office, I want to be faithful to what I promised as a candidate.

I could shut myself inside La Moneda Palace and adopt measures behind the people's backs, but I want the Chilean people to share their concerns about their problems with their government leaders. [applause]

We are looking for the best possible solutions. [applause, shouts] We want to discuss them with workers, businessmen, and political parties. Perhaps we can ask for a contribution from Congress. Perhaps we will need the cooperation of many. Whatever measure we adopt must be the fruit of a great national participation to successfully meet the task we have at hand: To overcome this emergency and to build a more just, more prosperous, and better fatherland. [passage omitted]

Unexpected problems may arise. We must face them, and we should not get discouraged when confronting them. I want to tell you this: I have faith. I have faith in Chile. I have faith in the people of Chile. We shall overcome. With the support of all, we are going to build the fatherland we all want. Thank you.

Foxley Reports on Foreign Debt Agreements

PY0610134290 Santiago LA TERCERA DE LA HORA in Spanish 23 Sep 90 p 14

[Excerpts] Washington, 22 Sep—Finance Minister Alejandro Foxley has said: "Renegotiation of the foreign debt with the private banks has been very positive;" it will save the country \$2.0 billion, basically, in amortization payments, and will secure additional resources of \$320 million over the next four years.

At a news conference, Foxley said the agreement will alleviate the balance of payments, make possible new investments in the country, attract capital, and generate employment to help improve the population's standard of living.

Foxley made this statement a few hours after it was officially announced in New York that the 13-bank committee representing the creditors and the Chilean negotiating commission headed by Eduardo Aninat had reached a preliminary agreement. [passage omitted]

The following agreements were reached:

The payment of amortization on the foreign debt, which is now calculated at \$1.8 billion, is postponed until 1 January 1995.

The payment of interest will be made yearly, instead of every six months, allowing savings of \$190 million for the country.

Contracts are more flexible to allow public enterprises, like Codelco [Copper Corporation] and others, to pay their debts before they come due if their cash positions make it possible.

A "banks' club" made up of 10 institutions will buy bonds to be issued by the Chilean State and the Central Bank for a total of \$320 million, which will be considered "new money." The first lot of bonds, worth \$200 million, will be issued in March 1991, and the second lot, worth \$120 million, in March 1992. These 10 banks are committed to buy \$200 million worth of bonds, and they will invite another 10 institutions to buy the remainder. These bonds will pay Libor [London interbank-offered rate] plus 1.5 percent interest, which Foley called "reasonable, acceptable, and convenient for Chile." Other Latin American countries have negotiated interest of Libor plus three, 3.5, or four percent—the latter in most cases. [passage omitted]

Aylwin Receives Invitation From Thatcher

PY0610200090 Santiago Radio Cooperativa Network in Spanish 2200 GMT 5 Oct 90

[Text] British Prime Minister Margaret Thatcher has invited President Patricio Aylwin to visit the United Kingdom next spring.

This information was disclosed by (Christian Earl Jones), British secretary for Latin American affairs, in a meeting with President Aylwin this afternoon. After the meeting (Jones) met briefly with the press. He said:

[Begin recording] I delivered a letter from Prime Minister Margaret Thatcher formally inviting President Aylwin to make a state visit to the UK. I assured him that he will get a warm welcome not only as a personal tribute to him as president but as a tribute from the British people for the effort the Chilean people made to achieve democracy. It will show the joy of the British Government and people for the recovery of democracy in Chile. [end recording]

In response to a question, (Jones) said bilateral relations are excellent. He recalled that the UK is the second most important investor in Chile. He added that the conference on the Antarctic Treaty will soon be held in Chile and that the two governments have agreed on the approach they will use in the conference. He said that it will be a difficult conference and that several issues will be discussed. He reiterated that mutual relations are excellent.

Asked about the sale of British weapons to Chile reported by specialized magazines, such as Chile's purchase of warships from Great Britain, (Jones) said that the Chilean Navy purchased a warship some time ago. He recalled that Great Britain has traditionally supplied warships and weapons to Chile. He added that if the Chilean Armed Forces have plans to improve their equipment Great Britain would try to meet the Chilean request. He added that nothing specific on this subject has been discussed.

Asked if there are any restrictions on selling arms to Chile, (Jones) said that Chile is a democratic country; therefore, the Chilean Government can decide on its needs. He added: We cannot interfere in such decisions. If Chile decides to purchase ships or other equipment, we would sell them, and we would not be concerned about what is or is not being bought.

Foxley on Measures To Offset High Fuel Prices

*PY0610210490 Santiago Domestic Service
in Spanish 1600 GMT 6 Oct 90*

[Text] Today Finance Minister Alejandro Foxley announced a series of measures to offset the crisis created by the increase in fuel prices. The measures include reducing electricity bills by eight percent for private citizens and by 12 percent for industries.

The minister granted a news conference. He was accompanied by Transportation Minister German Correa and National Energy Committee Chairman Jaime Toba. Foxley also announced the creation of a fund for the stabilization of oil prices, with an initial amount of \$130 million obtained from the Copper Compensation Fund. He added that there will be no further increases in fuel prices, except in the case of an exceptional situation.

[Begin Foxley recording] These measures reflect the government's commitment to a responsible economic policy, to stability, and to the rules of an open market economy; however, these measures try not to disguise the consequences of the oil crisis.

These measures also show the government's intention to reduce the impact these increases may have on the welfare of our fellow citizens, particularly the poorest.

Here are the measures: The government has decided to increase the prices of gasoline and liquefied gas until they reach the level of the international prices. The prices of kerosene and gas oil have also been increased but, in view of the social repercussions, not to the international level that could have an impact on consumers.

The price of electricity will be reduced by eight percent for private consumers and by 12 percent for industries, as a positive result of an anticipated increase in electricity generated in the next few months.

The government has also decided to create a fund for the stabilization of oil with an initial amount of \$130 million obtained from the Copper Compensation Fund. This

measure is aimed at stabilizing the domestic price of oil and its by-products, even if the international price varies. [end recording]

The minister also said that several measures will be adopted in the transportation sector. The most important is the decision to withdraw 2,600 buses from operation. This will result in a savings of 60 million liters of gas oil. He also said that there will be a nationwide campaign to prevent speculation in the prices of several products. He urged the people not to buy from stores that sell products at prices higher than the real ones.

Foxley also said that the UF [unit overcount adjusted for inflation] will not be modified and that the government will seek an alternative medium-term solution for those whose mortgage payments are late. The finance minister said that the exchange policy will not be modified and that the export policy will continue to be implemented with the same intensity as it is now.

Foxley said that the seriousness of the oil crisis will not cause the government to deviate from its objectives of achieving stability, economic growth, and social justice, within the framework of an open market economy.

Foreign Minister Criticizes U.S. Measures

*PY0910003690 Santiago Domestic Service
in Spanish 2200 GMT 8 Oct 90*

[Report By Antonio Cofre]

[Text] Foreign Minister Enrique Silva Cimma has described as contradictory an announcement by the North American Government that it will impose new quality standards on Chilean fruit entering the North American market.

Over the next few days, the North American Congress will reportedly approve new standards or marketing orders [preceding two words in English] for six different export fruits.

[Begin Silva recording, in progress] ...as something that obviously, to a certain extent seems to be contradictory to a free trade agreement that contains a desire by the two governments to gradually remove all nontariff [para-arancelarias] barriers, which is what these barriers would be. [end recording]

Foreign Minister Enrique Silva Cimma, who, along with President Patricio Aylwin, will travel to Venezuela on Tuesday [9 October] as part of a tour that will last until next Friday, said that on this occasion, the two presidents will sign new agreements in the economic area, agreements that are designed to achieve a removal of tariffs [arancel cero] on imports between the two countries.

Regarding the possibility of reaching agreements on energy matters, the foreign minister said that the

problem will be reviewed, noting the impact that the Persian Gulf crisis has on developing countries like Chile.

The minister pointed out that during their tour, President Patricio Aylwin will participate in a meeting of the Rio de Janeiro Group, which Chile is joining.

[Begin Silva recording] We will obviously discuss matters that concern inter-American interests, energy problems, and problems of Latin American integration; in a word, everything involving our continent. [end recording]

The foreign minister made these remarks after a ceremony at the Diplomacy Academy. During the ceremony, the Chilean Government decorated Venezuelan Culture Minister Jose Antonio Abreu with the Grand Cross of the Bernardo O'Higgins Order.

Demonstration by Prisoners' Relatives Dispersed

PY0610124290 Santiago Domestic Service
in Spanish 1000 GMT 6 Oct 90

[Text] Groups of demonstrators caused disorder after 1830 in downtown Santiago. The demonstrators blocked traffic and damaged the central gardens on Bernardo O'Higgins Avenue. The Carabineros deployed a large number of troops, who dispersed the demonstrators with water cannons and tear gas. The incidents occurred in front of the national memorial on Bernardo O'Higgins between Teatinos and Santa Rosa Streets, on Nataniel Street, and in front of the Education Ministry, where some bonfires were started. The same thing happened in front of the Ahumada promenade.

While trying to escape from the water cannons, the demonstrators damaged the central gardens of the Alameda. On Bandera Street, a group prevented the normal flow of buses, causing a traffic jam.

The demonstration was organized by the Association of Relatives of Political Prisoners, who were demanding their release.

Vice President Leaves Journalist Conference

PY0610125490 Santiago LA TERCERA DE LA HORA
in Spanish 25 Sep 90 p 14

[Excerpt] The surprise withdrawal of Chilean Vice President Enrique Krauss from last night's inaugural ceremony of the Fourth Latin American Journalists Conference created a commotion in the audience.

Krauss, who did not get to read his speech, argued that he could not stay in the auditorium of a downtown Santiago hotel because there were two journalists in the room who were being sought by the military courts on arrest warrants.

He was talking about Guillermo Torres, reporter for the newspaper EL SIGLO and secretary general of the journalists association, who had shaved his moustache, and

ANALISIS magazine director Juan Pablo Cardenas. The two had received an ovation minutes before when journalists association president Senem Conejeros said in his speech that the two had come "at the risk of being jailed."

As he was leaving, the vice president said he was there representing the executive branch and that his presence could be misinterpreted or considered to be passive support for those who have been indicted.

Krauss said the executive branch must respect the decisions of other government branches, including the judicial branch, and he had to respect judicial orders, even when disagreeing with them. [passage omitted]

Minister Foxley Says Inflation Under Control

PY0510213390 Santiago Domestic Service
in Spanish 1000 GMT 5 Oct 90

[Text] Finance Minister Alejandro Foxley has said that the inflation rate is under control and that the economy will continue to be stable. Foxley made this statement at the Arturo Merino Benitez airport upon his return to Chile [from Ecuador, the United States, and Mexico] with President Patricio Aylwin.

Foxley said that inflation will remain under control. He added that the economy will continue to be stable and to show clear signs that will in turn encourage vigorous investment processes and help materialize the new projects that were discussed with foreign bankers and investors during the visit.

Foxley also said that the 4.9-percent consumer price index was somewhat high, noting that the drought and the Persian Gulf crisis have caused food prices to grow more than expected. The minister said that there is no reason to regard this as some sort of national emergency and added that the Chilean economy, regardless of the consumer prices index for September, is viewed at an international level as the most attractive in Latin America, and maybe even in the world, for its level of development.

Bomb Explodes Near National Renewal Office

PY0510214790 Santiago Radio Chilena Network
in Spanish 1600 GMT 5 Oct 90

[Text] A bomb exploded at 0540 today breaking the windows of a National Renewal office on the crossing of Second Street North and First Street West, just one block from the Talca Arms Squares and opposite the Talca University main building.

The shock wave broke nearly all the windows on the northern wall of this political party's office. So far no organization has claimed responsibility for the explosion which has caused alarm among the neighbors. The property damage has yet not been calculated.

Lautaro Group Bombs Mormon Church, Burns Bus

PY0610015090 Santiago Domestic Service
in Spanish 2200 GMT 5 Oct 90

[Text] Members of the terrorist Lautaro movement have claimed responsibility for a bomb attack and a firebomb attack staged in the past few hours. Four armed terrorists arrived at a Mormon church at the 16th block of Vicuna Mackenna Avenue and, after threatening the watchman, entered the building and detonated a powerful bomb that caused substantial damage to the building. The terrorists escaped, but at the 14th block of the same street they intercepted a bus of the Chopin-Vicuna Mackenna route bearing license plate DG9230 and driven by Claudio Rocha. The terrorists ordered the passengers and the driver to get off the bus and then threw firebombs inside. The fire consumed all the flammable material of the bus, which was practically destroyed.

Shortly thereafter, an anonymous spokesman for the terrorists called an international news agency and other mass media to claim both attacks. The terrorists also left leaflets at the Mormon church and at the site where the bus was burned.

The spokesman for the group said that the two attacks marked the commemoration of the third anniversary of the self-styled Lautaro Rebel and Popular Forces.

Broadcasters Demand Closure of Illegal Stations

PY0610020790 Santiago Domestic Service
in Spanish 2200 GMT 5 Oct 90

[Text] The Association of Chilean Broadcasters, Archi, has reported that 23 clandestine radio stations are operating in various parts of the country. Archi President Oscar Pizarro has said that it is the duty of the government to enforce the law and immediately close those stations.

Pizarro said that Archi cannot endorse initiatives that go against the state of law. He said that the situation is like a seizure because there are no available frequencies in the metropolitan region and the operation of these clandestine stations hinders the operation of legal stations.

Colombia**Air Force Reportedly Bans DEA Flights**

PA0810234990 Mexico City NOTIMEX in Spanish
2245 GMT 8 Oct 90

[Text] Bogota, 8 Oct (NOTIMEX)—The Colombian Air Force (FAC) has banned U.S. DEA [Drug Enforcement Administration] planes from flying in the country's airspace, according to reports received here today.

The conservative daily EL NUEVO SIGLO reported that FAC Commander General Manuel Jaime Forero

Quinones personally issued the order banning the DEA flights because of "constant violations of restricted areas in Colombian airspace."

The paper adds that "the FAC commander made the announcement after one of the sophisticated radar stations installed in the central part of the country detected an aircraft that entered a restricted area without permission."

The aircraft was forced to land, and it turned out to be a DEA plane. The crew members "engaged in a heated discussion with the air base workers and U.S. experts who operated the radar," the report added.

Following this incident and another one when a plane of the same U.S. agency almost collided with a commercial plane in Valle del Cauca (in the southern part of the country), the FAC prohibited U.S. DEA planes from entering the airspace, the newspaper reported.

The existence of one dozen military radar stations that guard Colombian airspace has been uncovered following an incident that took place last 28 September, when a plane flying without permission fell in the rural area of Obando Municipality, some 210 km west of Bogota. They were also discovered through the very low flights of the DEA planes.

Only a gigantic radar station on the island of San Andres, in the Caribbean Sea, was public knowledge, but it has been learned that the United States has already installed eight of a network of 12 radar stations to fight drug trafficking.

According to "EL NUEVO SIGLO," there are radar stations operating in the areas of Guajira, in Atlantico Department (northern part of the country); in the area of Uraba, in the central part of the country; on the Pacific coastal area; in the Pacific Ocean; and in the Eastern Plains.

"For the network to be more effective, it will work jointly with the Colombian Navy that is on territorial waters on the Pacific and Atlantic Oceans," the newspaper reported, quoting unidentified military sources.

Government Blames Kidnappings on Medellin Cartel

PA0610230090 Bogota Inravisión Television
Cadena 2 in Spanish 0000 GMT 4 Oct 90

[Report by William Calderon]

[Text] The Security Council, which met at the Narino Palace, reported today in an official communique that a sector of the Medellin Cartel is holding the seven journalists who work for the HOY POR HOY magazine, the EL TIEMPO newspaper, and the "Cripton" newscast. The brief message gives no details but claims that intelligence organizations have enough evidence to blame Pablo Escobar. Journalists Diana Turbay, Juan Vitta, Hero Buss, Azucena Lievano, Orlando Acevedo, and Richard Becerra were kidnapped on 30 August.

On 30 August, the journalists left for an undisclosed location to supposedly interview ELN [Army of National Liberation] Chief Spanish Priest Manuel Perez. The interview was a set up to kidnap the reporters. It has not been ruled out that a group of former guerrillas may have done the initial job for the cartel.

On 19 September, several armed men forcibly took EL TIEMPO Chief Editor Francisco Santos Calderon from his armored vehicle, while he was traveling in north-western Bogota. His driver was killed. The authorities have reports that paid assassins, who work for one of the Medellin Cartel gangs, kidnapped Francisco Santos. There are clues that the journalist was taken out of Bogota by the same paid assassins not more than eight days ago.

Just after the kidnapping of EL TIEMPO's chief editor, a man who identified himself as Caliche, a Medellin Cartel member, said through telephone calls to EL TIEMPO that the Medellin Cartel was holding all the journalists. Even though he did not report the reasons for all these kidnappings, he said that their lives would be spared. Hours afterward, through a facsimile [fax] message, the Extraditables denied that Caliche was their spokesman; however, they did not mention who was responsible for the kidnappings.

The authorities are working on various suppositions, among them the theory that although the kidnappings may have been ordered by the same person, the hostages are not in one place.

Notables Offer To Mediate

PA0710162590 Bogota Inrvision Television
Cadena 2 in Spanish 0000 GMT 6 Oct 90

[Report by Adriana Larota]

[Text] The Group of Notables has offered to mediate to obtain the release of seven journalists and German Montoya's sister, who—the government claims—were kidnapped by the Medellin Cartel. The Group of Notables consists of former Presidents Alfonso Lopez Michelsen and Misael Pastrana Borrero, Cardinal Mario Revollo, and parliamentary member Diego Montana Cuelar. The group made the offer in a public communique.

The Group of Notables indicate in their communique that money does not seem to be the reason for the kidnapping of the seven journalists and Marina Montoya de Perez. Referring to the issue, and assuming that the victims are in the hands of the Medellin Cartel, those who signed the proposal do not consider kidnapping an appropriate way—or one to bring immediate results—to start a dialogue with the government. Hence, they offer their mediation for what they call an exchange of ideas without pressure.

[Begin recording] [Larota] How far would the Group of Notables be willing to go to sit down and negotiate, face to face, with—for example—some of the Medellin Cartel members?

[Montana] Personally speaking, I am prepared for everything. If the mediation is not accepted, then I am prepared to talk to whoever is necessary, to listen to whoever is necessary, and to exert ourselves to the utmost so that we can obtain the release of Diana Turbay, Azucena Lievano, the cameramen, and Francisco Santos. [end recording]

Montana said that no contact has been established thus far with the kidnappers.

[Begin Montana recording] No contact. In a conversation with former President Lopez Michelsen he suggested the idea and proposed the terms of the message—and I agreed. [end recording]

A similar situation occurred in January, when the Group of Notables—which also included former President Julio Cesar Turbay—issued a proposal to the Extraditables. According to the proposal, if they released people they held hostage, they would receive less rigorous punishment from the state.

In fact, a few days after the message, which was presumably sent with the government's approval, several people were released—including Patricia and Dina Echavarria, and Alvaro Diego Montoya, son of the former secretary general of the Presidency.

The surrender proposal that accompanied the releases, however—which undoubtedly represented the greatest triumph in the endeavors of the Group of Notables—elicited no reply from the previous administration.

Recording Indicates Two Alive

PA0710231890 Madrid EFE in Spanish 1840 GMT
7 Oct 90

[Text] Bogota, 7 Oct (EFE)—Former Colombian President Julio Cesar Turbay Ayala released today a voice recording of his daughter Diana, director of the HOY POR HOY magazine, who disappeared together with five other journalists on 30 August and is being held by unidentified persons.

The same recording had a message from Azucena Lievano, chief anchorwoman for the "Cripton" newscast, who was also kidnapped.

Both journalists gave their families assurances that they are well and hope that their situation will be resolved soon. They did not say where they are or who their captors are.

I hope they allow us to return home very soon, the journalists said. They thanked Colombians who prayed for their safe return and explained that their kidnappers allow them to watch television and follow the news. These recordings are the first indication that they are alive.

Diana Turbay; Lievano; HOY POR HOY Editor Juan Vitta; Hero Buss, an East German correspondent for

various European media; and two television cameramen have been missing since 30 August.

The group left Bogota for an undisclosed location in Colombia to interview former Spanish Priest Manuel Perez, top leader of the Army of National Liberation (ELN) Marxist guerrilla organization.

The ELN, however, has repeatedly denied that it had granted any interviews or that it is holding the journalists.

The recordings released today make no mention of EL TIEMPO newspaper Chief Editor Francisco Santos Calderon, son of the paper's director. Santos Calderon was kidnapped on 19 September in Bogota. His driver, Oromancio Ibanez, was killed in the incident.

The kidnapping of Francisco Santos Calderon, 28, took place a few hours after Marina Montoya de Perez was kidnapped in another part of Bogota. She is former Presidential Secretary German Montoya's sister.

Guerrilla Coordinating Board Writes to Gaviria

PA0710143890 Bogota Radio Cadena Nacional
in Spanish 1200 GMT 29 Sep 90

["Communique" issued by the commanders of the Simon Bolivar National Guerrilla Coordinating Board in La Uribe on 25 September; read by Edwin Ortega, spokesman for the Popular Liberation Army, EPL]

[Text] Dr. Cesar Gaviria and gentlemen of the Council of Ministers:

The Simon Bolivar Guerrilla Coordinating Board advocates a peaceful solution, democracy, national sovereignty, and the well-being of Colombians. There would be no war if a majority of the people had a genuine role in the state's decisionmaking process and we adopted a sovereign policy and a model for development that favors the nation's interests and the well-being of the majority.

In view of the country's current situation and recent history, a peaceful solution that will promote development demands a negotiated political solution that takes into account the new reality and adopts new measures and commitments that have so far been overlooked in the administration of the state.

The constituent assembly, which was demanded by Colombians on 11 March and 17 May, will offer new opportunities to incorporate the new reality and seek negotiation, change, and peace; however, the agreement among the four forces of government called for a constituent assembly whose agenda regulations exclude the participation of the people, social organizations, meetings [as heard], and the armed insurgency—a major segment of the Colombian population.

An assembly of this nature, coupled with the recently adopted economic measures, are a confirmation of war

and constitute no paths toward finding a political solution to the conflict. Convinced of the need for democratic peace involved in changes and in attaining well-being, we intend to amend current regulations and work toward establishing a democratic, representative, and autonomous constituent assembly.

Let us hold direct talks to establish—along with social, political, and regional groups—new regulations in keeping with the wishes of a majority of Colombians, the consensus of the country, and the forces involved in the conflict. This will open paths and bring about a promising outlook. A peaceful solution implies effective and specific steps to meet the country's main problems. In view of this, a negotiated solution will require the following:

1. Democracy—the participation of a majority of the people in state decisions, elimination of the authoritarian regime and its state of siege, and demilitarization of Colombian life with the discontinued application of the national security doctrine, an end to the dirty war, and the eradication of paramilitary groups that [word indistinct].
2. A purge of the Armed Forces and reduction in their budget and size; the Armed Forces must be patriotic and at service to national government.
3. A definite policy to rescue national self-determination by establishing terms that are clearly favorable to the country in the exploration of natural resources and how they relate to foreign capital; the suspension of international treaties that affect the nation's interests; and the discontinuance of the extradition treaty.
4. A definite independent economic policy to develop the country's productive forces and significantly improve the standard of living for the Colombian people.
5. The integration of minorities into the nation's democratic life through full respect for their land, organizational structures, and cultures.
6. The establishment of an autonomous foreign policy independent of the power centers integrated into the Latin American region that adheres to international humanitarian laws and the Geneva agreements and protocols.

Dr. Cesar Gaviria and gentlemen ministers: We propose immediate direct talks with the government at the highest level to establish mechanisms, agendas, and requirements that lead to a negotiated solution. This process calls for international observers that could involve the United Nations, the European Parliament, or a group of foreign personalities or institutions with recognized authority.

Attentively yours,

The Simon Bolivar Guerrilla Coordinating Board

First meeting of commanders

Jacobo Arenas for the FARC-EP [Revolutionary Armed Forces of Colombia-Poor Peoples' Army]; Manuel Marulanda Velez for the UC-ELN [Camilist Union-Army of National Liberation]; Manuel Perez Martinez [no affiliation identified]; and former Commander Francisco Caraballo for the EPL.

Government Asks Guerrillas To Expand on Dialogue

PA0610190390 Bogota Inravisión Television
Cadena 2 in Spanish 1730 GMT 2 Oct 90

[Text] The national government has reinitiated efforts in the search for a political way out of the armed conflict that involves guerrilla groups that have remained out of the peace process.

The government, however, has set conditions for initiating a dialogue with the rebels. In response to a letter from the Simon Bolivar Guerrilla Coordinating Board, the government today asked that organization to make clear and exact its proposals for establishing dialogue conditions and mechanisms.

[Begin Government Minister Julio Cesar Sanchez recording] The government considers positive the fact that the letter speaks of—I quote—the decision to find a political way out of the conflict—end of quote. The government also views as positive the fact that the following was said regarding the 9 December agreements and elections—I quote—This is an issue to be discussed at a suitable moment because we, like President Gaviria, believe that we cannot waste the clearest possibility for renewal and transformation that our history has provided—end of quote.

The government is prepared to initiate the dialogue as long as the Revolutionary Armed Forces of Colombia and the National Liberation Army, as a demonstration of goodwill, stop their extortion activities and their attacks on towns and on the Armed Forces, and release the people they have kidnapped. [end recording]

Jose Antonio Bejarano, a government peace adviser, said:

[Begin recording] [Bejarano] The communique clearly establishes that the presence of the Armed Forces throughout the country is not negotiable. This is a constitutional mandate. It is an obligation that involves public order. It is not negotiable.

[Reporter] How much time has the government given the guerrilla groups to make evident their willingness to talk?

[Bejarano] This is not a matter of deadlines, but of steps toward rapprochement. [end recording]

Gaviria Comments on Extradition, Drugs

PA0710130290 Bogota EL NUEVO SIGLO in Spanish
29 Sep 90 pp 1, 3

[Text] President Gaviria yesterday announced in Washington that the Colombian Government, in implementing its strategy to counteract drug trafficking, will maintain its extradition option. He also reiterated that there would be no negotiations with the drug cartels.

Gaviria also noted that the struggle against drug trafficking has cost Colombia \$1 billion and complained that the economic support given by the industrialized nations has been more rhetorical than real.

Speaking at the National Press Club in Washington D.C., President Gaviria noted that the \$1 billion Colombia has spent in the struggle against drug trafficking, which is the equivalent of 500 billion pesos, represents more than two percent of the country's gross national product.

Despite this, the support Colombia has received from the industrialized nations has been minimal. In its effort to refinance its foreign debt, Colombia has received no benefit from the Baker Initiative or the Brady Plan, even though it has made a big effort to comply with its international financial commitments.

The Colombian people are resented because there is the impression that the situation "is not just a matter of lack of support, but also an expression of hostility."

The hostility was made evident by "the decision to suspend the Coffee Pact, the imposition of taxes on Colombian flowers, and the general attitude toward our products."

The Colombian president said that this is why it is necessary to review his country's commercial relations with the United States.

"In this context," he said, "we greet President Bush's Initiative for the Americas. We welcome it because new commercial policies and a reduction of the foreign debt can be used to generate economic progress."

Gaviria was clear when he touched on the economic support issue. He said his country could "forsake any specific direct aid if we were included in one of the many initiatives that now exist or in initiatives to be announced in the future."

M-19, Student Movement Support Assembly

PA0810182490 Bogota EL TIEMPO in Spanish
5 Oct 90 p 9a

[Text] The 19 April Movement Democratic Alliance (AD M-19) and the Student Movement [Movimiento Estudiantil] issued two separate communiqués yesterday wherein they wholly support the convoking of the national Constituent Assembly.

In addition to pointing out that the agreement on the assembly was primarily a political act, the AD M-19 leaders asked the Supreme Court of Justice to disqualify itself from deciding on the issue. "It would be the best contribution for straightening out this process," the communique noted.

The AD M-19 stated that the 11 March and 27 May voting in favor of the Constituent Assembly were unprecedented historic events that had to be accepted. "The people used the ballot boxes to issue a political mandate to convoke the Constituent Assembly and reform the Constitution," the communique asserted.

"We have complied; the AD M-19 has done everything it could. We persevered in the search for a pact with Colombia in a democratic Constituent Assembly, even when the January 1990 peace referendum proposal failed and irresponsible sectors mocked the agreements."

Meanwhile, the Student Movement united for the first time to support the Constituent Assembly. The Student Movement expressed its commitment to vote in the 9 December elections during a meeting its leaders held with President Gaviria at Narino Palace on 3 October.

The student movement leaders stated: "We invite all students, the sectors committed to the Constituent Assembly process, and civilians in general to open up new opportunities for mass political participation in the national debate. This participation must be reached at forums and commissions that will prepare us for the Assembly, which will be the first step in making the democratization of our national life effective."

Government Extradites Drug Trafficker to U.S.

PA0910015490 Madrid EFE in Spanish 2326 GMT 8 Oct 90

[Text] Bogota, 8 Oct (EFE)—The Directorate of Judicial Police and Investigations (Dijin) of Colombia today turned over to the U.S. authorities Joaquin Oswaldo Gallo Chamorro, a Colombian who is wanted by a U.S. court for drug trafficking.

Dijin Director Colonel Oscar Pelaez Carmona reported that Gallo Chamorro was taken under strict security to Eldorado Airport in Bogota and was flown to the United States.

Gallo Chamorro is wanted by the state of Florida, where he is charged with conspiracy to bring cocaine into the United States.

Less than one month ago, Colombian Raul Hernan Buchelli and Jose Hilario Ortiz Brinez were extradited to the United States.

Three persons have been extradited during the two months of Colombian President Cesar Gaviria Trujillo's administration. A total of 20 Colombians have been extradited to the United States since 18 August 1989,

when Gaviria's predecessor, Virgilio Barco, declared war on the drug trafficking mafias.

Extraditions are processed through administrative actions of the president of the Republic, without any legal proceedings, after the Supreme Court of Justice declared in June 1987 that sending citizens to other countries was unconstitutional.

Gaviria Trujillo, who took over the presidency on 7 August, has announced that extradition is not the only instrument for fighting drug trafficking. He has offered the traffickers a chance to turn themselves in and cooperate with the authorities to reduce their sentences, and he has guaranteed them trials in Colombia.

Presidential Decree Reform Favors Extraditables

PA0910030690 Bogota Inravisión Television
Cadena 1 in Spanish 0000 GMT 9 Oct 90

[Report by Raul Gutierrez]

[Text] President Cesar Gaviria today did what he announced on Friday 5 October: Decree 2047, which softened the sentences for criminals who turn themselves in, has been reformed. Now drug traffickers are fully guaranteed that there will be no possibility of their extradition if they turn themselves in and confess. The government's regulation could be interpreted as an effort to further open the door to repentance for drug traffickers and paramilitary and self-defense groups.

The new decree states that judges may immediately release without [word indistinct] those who voluntarily turn themselves in and confess that they are guilty of the illegal possession of weapons and of conspiracy to commit a crime. In those cases, there will be no confiscation or seizure of property. If an arrest is necessary given the nature of the crime and an extradition request is received, [words indistinct] will review the case but [words indistinct] order the extradition.

[Begin Justice Minister Jaime Giraldo recording] This is part of a policy of [words indistinct] trying people according to Colombian laws, and it is based on an essential fact: People must appear before a judge of the Republic and confess their crimes.

If a new extradition request or new charges are received during the time that the process is under way—when the person should be under arrest—then the person is guaranteed that he will not be extradited. [end recording]

The modifications to Decree 2047 clearly indicate that the government is much more interested in having the Colombian people tried here instead of being extradited to the United States.

Government Orders Extradition of Citizen

PA0710043590 Bogota Radio Cadena Nacional
in Spanish 1200 GMT 6 Oct 90

[Text] Bogota—Colombian President Cesar Gaviria Trujillo's government has authorized the extradition of Colombian citizen Jacobo Mariano Mendez Campo, who was wanted by the Puerto Rican authorities on drug trafficking charges.

Thus far, President Gaviria's government has extradited five Colombian citizens to the U.S. justice system.

According to Resolution 268, the Federal Court of the District of Puerto Rico requested Mendez Campo's extradition on charges of conspiracy to commit a crime involving association with other people to export marijuana and cocaine from Colombia to Puerto Rico. The resolution adds that extradition requests issued by other U.S. courts against the same individual had been previously rejected.

Attack on Pipeline, Oil Company Discovered

PA0810194490 Bogota Radio Cadena Nacional
in Spanish 1200 GMT 7 Oct 90

[Text] The Army reported yesterday that it has discovered a terrorist plan by the ELN [Army of National Liberation] aimed against the Cayo-Limon-Covenas oil pipeline and the installations of the Occidental Petroleum Company in Arauca.

The Army Command in Bogota revealed that troops of Operational Command No. 1 captured the leader of an ELN urban commando unit in Arauca, confiscating a pistol along with plans of the pipeline complex and Occidental Petroleum installations.

The guerrilla, who was identified as Jorge Alirio Porras Martinez, alias El Gato, was arrested while driving a Toyota van with a Venezuelan license plate. He was taking the plans to leaders of the ELN's Domingo Laino Front for use in new terrorist attacks.

More on Government Condemning Terrorist Acts

PA0810192590 Bogota Inravisión Television
Cadena 2 in Spanish 0000 GMT 8 Oct 90

[Text] In a communique issued today by Narino Palace, the government condemned the National Liberation Army [ELN] for its recent acts of terrorism. The government said that the ELN has responded with acts of savagery to the Gaviria administration's proposals for talks.

In its communique, the government stated that the ELN's actions—namely, the takeover of the town of Pinillos, south of Bolivar Department, where the rebels killed Mayor Isaac Rangel and a councilman—can only be interpreted to mean that the armed group wishes to continue on the path of violence. It added: This sort of attack seriously hampers the possibility of talks, which

can only take place once the facts prove that the armed rebel groups are committed to peace.

Inflation Figures Reportedly Highest in 13 Years

PA0610194790 Bogota Inravisión Television
Cadena 1 in Spanish 1730 GMT 5 Oct 90

[Report by Liliana Vigoya from Bogota]

[Text] The country's inflation rate was 24.14 percent during the first nine months of the year, and this has brought the government and, logically, all Colombians to their senses. The country registered a 30.24 percent increase in the cost of living—the highest in 13 years—over the past 12 months.

The increase in the cost of living has caused alarm in the government, and rightfully so, because this is the highest index in the past 13 years. According to the DANE [National Administrative Department of Statistics], the areas that have most contributed toward reaching that level were education and housing.

[Begin Treasury Minister Rudolf Hommes recording] What has caused this inflation? Where has the inflation come from? Unfortunately, we have to report—I have already reported it, but now I will emphasize it—that government spending has been out of control. [end recording]

The strategy to alleviate the uncontrolled inflation is, as Minister Hommes said, to tighten one's belt. Consequently, the government has proposed liberating imports and reducing tariffs on industrial goods included in the family basket.

Even though the government expects immediate results, there are those who question the proposal's efficiency and positive results. They warn that this would be the preamble to an economic recession.

Radio Reports 843 Persons Kidnapped 'So Far'

PA0710221090 Bogota Inravisión Television
Cadena 1 in Spanish 1800 GMT 7 Oct 90

[Text] As of today, 32 people have been kidnapped in Medellin; six already in October. For the authorities in the Antioquia Department, kidnappings and bank robberies have been the most frequently committed crimes in the past few days.

In Antioquia Department, 128 people are being held by kidnappers; most of them have been kidnapped by the Army of National Liberation. An industrialist was the last one kidnapped. The authorities have announced special plans to end the kidnappings.

[Begin Antioquia Governor Chavarria recording] The wave of kidnappings is harmful. It halts progress and investments, and deeply hurts everyone, because kidnapping is a terrible crime. We hope that we will be able to put an end to these kidnappings because murders have already dropped considerably. [end recording]

[Begin Medellin Mayor Flores recording] The DAS [Administrative Department of Security] and the police have adopted some measures and the citizens have been very cooperative. We are closely monitoring the kidnappings that are taking place not only in Medellin but throughout the country. [end recording]

In Colombia 843 people have been kidnapped so far in 1990.

Paraguay

Arrests of Police for Coup Attempt Denied

PY0510154890 Asuncion ABC COLOR in Spanish
5 Oct 90 p 2

[Text] Yesterday Public Order Department police sources reported that no police captain is under arrest for being linked to an alleged uprising.

Unofficial reports said that four captains had been confined to a military garrison in Cerrito right after the alleged uprising against the government was discovered.

A high-ranking officer said "There is nothing on this topic. Police do not have any information of this type. That report is baseless."

Other well-informed sources also denied the report, indicating that there is no knowledge of the arrest of any captain for any type of motive. "There is nothing to report," they added.

Military Checkpoints Reported in Asuncion

PY0610122890 Asuncion HOY in Spanish 6 Oct 90 p 9

[Text] Strict military control was observed in Asuncion on the night of 4 October, the day on which President Andres Rodriguez himself admitted the arrest of several sergeants linked to an aborted uprising.

Members of the military, accompanied in some cases by policemen, stopped traffic and examined the interior, trunks, and engine compartments of vehicles, according to information given to our newspaper.

Control points were observed at the corner of General Santos and Espana Streets, on the stretch of highway between Asuncion and the city of Luque, along Estados Unidos Street (in the downtown area), and in front of the Botanical Gardens. Our readers also reported the movement of military vehicles carrying soldiers in sectors of Greater Asuncion.

Neighbors of the Botanical Gardens also reported that there were military checkpoints in the area not only during the night, as in some areas of the city, but also during the day.

This military control must be added to other measures such as an increase in Rodriguez' personal bodyguard and an investigation of congressmen that police carried out during the week.

Commenting on strict control of the possession and carrying of weapons that was recently put into effect, the president stressed that the measure was due to an increase in the theft of vehicles and assaults; however, for the ordinary citizen, the measure is very thought-provoking at a time when confirmation of an aborted uprising is made public.

U.S. Investors' Lack of Confidence Noted

PY0810163290 Asuncion ULTIMA HORA in Spanish
5 Oct 90 p 11

[Text] Yesterday Foreign Minister Alexis Frutos Vaesken briefed President Andres Rodriguez on his U.S. trip. The foreign minister said that despite the confidence in the political transition toward democracy in our country, there is still some mistrust regarding the security our government can provide to foreign investments. He added: "This is what I was able to gather during my stay in the United States."

Frutos Vaesken emphasized that there is "a good environment" about Paraguay regarding its political situation, but that investors and U.S. officials are a bit concerned over the invasions of private land currently taking place in the country. He said that this creates some insecurity among investors who want the government to take steps to resolve the land conflicts.

He said: "Investors ask about the land invasions. These events give the impression that there are no guarantees in the country and that there is no respect for private property. I believe that these problems will be solved with everyone's cooperation because they create an environment of insecurity in our country; otherwise, everything is fine."

Frutos Vaesken also said that during the talks with U.S. officials he received promises of aid for improving various sectors of the country—especially the reorganization of the Foreign Ministry.

He also said that he talked with his Bolivian and Uruguayan counterparts about the possibility of opening joint diplomatic missions to reduce the cost of running embassies.

Opposition Deputy Reports Dissatisfaction in Army

PY0510155890 Asuncion ABC COLOR in Spanish
5 Oct 90 p 3

[Text] Regarding yesterday's persistent rumors, Gustavo Riart Ortellado, a deputy of the Authentic Radical Liberal Party (PLRA), said: "I do not know whether a military uprising existed or exists or if there is any plan in that respect, but I do know that dissatisfaction exists in some units, especially because of the disregard that some units are receiving, such as the Air Force and the infantry."

The congressman reported that the dissatisfaction is presumably due to the disproportionate growth of the cavalry to the detriment of other military units.

He added that this could be the origin of the rumors that have been circulating in the past few days. He stressed, however, that "this situation must not be labeled as serious."

Riart said that the Armed Forces command should adopt measures with the intention of correcting the existing imbalance between various Army units. "Especially because it would make the military a more professional institution," he indicated.

Regarding the rumors that report [former Foreign Minister Luis] Argana's participation in a coup attempt, the politician said: "I do not know whether that was Argana's intention, but I do not believe that there is an Army officer who is willing to adopt such an attitude."

First Shipment of Argentine Oil Arrives

PY0610141290 Asuncion ABC COLOR in Spanish
1 Oct 90 p 52

[Text] One of the most important events in the process of regional integration occurred yesterday when Argentine oil, produced in the border province of Formosa, only 650 km from Asuncion, arrived in Asuncion. The fact that the oil from Formosa has similar characteristics to the oil we import from Algeria, the considerable savings in transport fees, and its lower price when compared to Arab oil make the operation advantageous for both countries. Besides, it is a historic moment and a point of departure for growing bilateral trade between the two countries.

The first tankers with Formosa oil are already in Asuncion. They are part of a deal for 2,500 cubic meters that Petropar [Paraguayan Petroleum, Inc.] will purchase from Argentina within the framework of agreements on regional integration and the search for oil supply alternatives. The deal means the country will save up to \$12 million per year in transportation fees and will be strategic insurance in the event of any disruption in oil supplies due to the shaky overall situation since the Iraqi invasion of Kuwait.

The deal is on an experimental basis. It is the result of long, difficult negotiations between the Argentine and Paraguayan Foreign Ministries, and includes a technical study of the Formosa oil and the possibility of refining it at Petropar's refinery in Villa Elisa. Thus far, the oil Paraguay purchases from Algeria and this shipment from Formosa are similar—that is, they are light, with very little difference in what oil men call degrees API [American Petroleum Institute], which are determined by the composition and the sulfur and paraffin content. The Algerian oil has 45 degrees and the Formosa oil 44.7 degrees. Everything then points to the success of the operation, and to the fact that Petropar engineers will not have trouble refining this oil.

The Argentine oil will cost \$41 a barrel CIF [cost, insurance, and freight] in Villa Elisa, \$6 less than the Algerian oil.

The oil wells of the Argentine border province are located 650 km from Asuncion in an area known as Palmar Largo, Ramon Lisa Department. The oil is sent through pipelines to a shipping station in Ingeniero Juarez and from there, by train to Formosa where it is loaded into tankers for the trip to Villa Elisa.

The initial volume in this experimental stage was 500 cubic meters.

Petroleum Chief Ensures Normal Supply of Oil

PY0510220990 Asuncion ULTIMA HORA in Spanish
4 Oct 90 p 12

[Excerpts] Petropar [Paraguayan Oil] Chairman Desiderio Enciso returned from Algeria last night. He told ULTIMA HORA this morning that despite the Persian Gulf conflict that threatens to create serious difficulties to the supply of oil to the world, Paraguay has been assured that the normal supply of Algerian crude oil will arrive. This will allow us to overcome any shortage, he added.

Enciso said: "We visited Algeria to analyze the oil crisis, the situation of international prices, and the international market itself, and to ensure the supply of oil to our country in an attempt to prevent any shortage."

"Fortunately, the talks held with the Sonatrach [expansion unknown] people—within the framework of the crisis the world is facing regarding consumption, supply, and processing of oil—have yielded satisfactory results," he said.

He said: "The objective of the trip was not to sign any agreements, but to analyze the current situation with the Algerians and to check on their ability to produce and to supply crude oil."

"It has been made clear that if Paraguay wants to continue importing oil from Algeria, they are in a position to continue to supply any amount of oil necessary to cover our demand," he said. [passage omitted]

Enciso said: "We are now discussing oil supply. Oil prices are entirely another factor, because for the next four or five months production of countries like Algeria and others has already been sold at incredibly high prices."

He emphasized that "the commitment" made with the Sonatrach directors contemplates a normal supply of crude oil to our country. Asked whether the fuel price will change, he said: "For the time being there will be no further increase, mainly because we readjusted prices only a short time ago. We are trying to economize, to balance the companies, and continue to progress."

Regarding the possibility of importing Argentine oil, which will be tested at the Petropar facilities at Villa Elisa, Enciso said that this week he will learn about these measures.

Offices of the Presidency Restructured

PY0610224090 Asuncion NOTICIAS in Spanish
3 Oct 90 p 12

[Text] Yesterday the executive branch promulgated Decree 7208 restructuring the staff of the Presidency of the Republic.

The legal instrument creates the Directorate of Liaison [Direccion de Enlace] that will be headed by an ambassador-at-large [embajador adscripto], who will act as liaison with the legislative branch, represent the nation's president whenever he so determines, and carry out negotiations and missions assigned by the nation's president.

The decree also creates the Directorate of Information and Culture [Direccion de Informaciones y Cultura] to replace the Information and Culture Undersecretariat and specifies its functions.

By this decree that supersedes the June 1944 decree, which previously organized the Presidency's staff, the chiefs of staff [jefes de gabinete]—that is, the military chief of staff, the civilian chief of staff, the president's private secretary, and the executive secretary of the Technical Secretariat for Economic and Social Development Planning—are accorded the rank and prerogatives of ministers of the executive branch.

The document also establishes the functions of the offices the military chief of staff, the civilian chief of staff, the Private Secretariat, and the Technical Secretariat of Economic and Social Development Planning.

Medellin Cartel Thought To Be Operating Locally

PY0810131290 Asuncion ABC COLOR in Spanish
7 Oct 90 p 25

[Text] The public relations chief of the National Narcotics Directorate, Dinar, reported that it is possible that a Medellin Cartel group may be operating in Paraguay, since the cartel's members do not currently have the same freedom and impunity they formerly had in Colombia given the offensive that government began a few months ago.

This may be so because the Paraguayan Chaco may be a route frequently used by the "drug organization." The 343 kg of cocaine confiscated in Parque Cue came from clandestine Medellin Cartel laboratories in Brazil, the same source added.

He reported that this Medellin Cartel group, which may be operating in Paraguay and southern Brazil, is recruiting people in strategic posts in the government, Army, or police to "operate peacefully" in Paraguay and Brazil.

The Dinar spokesman also reported that the registration number of the small airplane that carried 343 kg of "white powder" was taken from another airplane with Bolivian registration.

Based on several reports from the Bolivian Antinarcotics Struggle Office, the Dinar verified that registration number CP-2091 used by the aircraft carrying cocaine was taken from another airplane, whose owner was identified as Bolivian citizen Luis Fernando Simons Isas. His aircraft is currently parked in an hangar at El Trompillo International Airport, in Santa Cruz de la Sierra, Bolivia.

Simons' pilot was identified as Luis Takana Rouse, a Bolivian of Japanese origin, who has no record of drug trafficking.

The aircraft that crashed in the Paraguayan Chaco on 13 September may have been coming from Argentina, Bolivia, Brazil, Colombia, or even from Paraguay, the spokesman said.

Peru

Fujimori Dismisses Dialogue With Terrorists

PY0510135890 Lima Television Peruana in Spanish
0100 GMT 5 Oct 90

[Text] President Alberto Fujimori has dismissed any possible dialogue with the MRTA [Tupac Amaru Revolutionary Movement] because this subversive group shows no signs of wanting to talk and because the necessary conditions for a dialogue do not exist.

The chief of state also referred to the results of Prime Minister Juan Carlos Hurtado Miller's visit to New York and Washington.

[Begin recording] [Fujimori] As I clearly stated just now in my address to the fourth congress of the private business sector, there will be no dialogue under the terms they intend to impose. I repeat what I have already stated: I do not need those links, which I consider unnecessary, to start the dialogue. I will always be willing to hold a dialogue, but not under the conditions they intend to impose.

[Reporter] Is it true that you have received a document listing conditions for [words indistinct]?

[Fujimori] I did not receive any document because I never met with [Change 90 Deputy] Mr. Lopez or [Second Vice President] Mr. Garcia. I learned about that document through the media. This document is the same one that this group has allegedly made public. From its contents one can see they have no desire for a dialogue.

[Reporter] Are you going to meet with Mr. Gerardo Lopez...?

[Fujimori, interrupting] Right now, I am in no hurry to hold this type of talk. We have a lot of work to do.

[Reporter] President, do you intend to meet with Deputy Gerardo Lopez sometime to discuss what happened with [words indistinct]?

[Fujimori] I will probably meet with him sometime when the necessary conditions exist, but not for the time being. I repeat, we have a lot of work to do.

[Reporter] What do you have to say about Hurtado Miller's achievements in [words indistinct]?

[Fujimori] The results, as you well know, have been incredible. The countries that cooperate with Peru have received the message clearly. The program we are implementing has been discussed, assessed, and labeled a serious program that will allow us to overcome the serious crisis the country is enduring. In this sense, I repeat, I consider this visit to be extraordinary because it allows us to open the possibilities of international financing for Peru.

[Reporter] President, at this moment you [words indistinct] and the working class. What is your opinion on the attitude of the two parties?

[Fujimori] As is the case with the unification of the two Germanys, I see it as an agreement between two important sectors on a common objective. I am very pleased this happened spontaneously. National interests have obviously prevailed over the private interests of the two parties. In this sense, I believe it is an important, positive step that will contribute to solving Peru's economic problems.

[Reporter] The Libertador group voiced its dissatisfaction because you did not sign the U.S. cooperation agreement on drug trafficking. [words indistinct]

[Fujimori] I did not sign the cooperation agreement nor will it be signed for the time being because we still have lengthy negotiations ahead of us. We must state our position to the drug consumer countries and ask them for their cooperation. The cooperation my government is going to request, and which Peru expects, falls within the framework of the cooperation agreement signed during the Cartagena summit. The struggle against drug trafficking entails \$3, \$4, \$5 million and it cannot be waged, if we are realistic, with a few rifles and tanks. The problem is much more complex, and we want to solve it in a definite manner, always preserving the Peruvian interests. [end recording]

Vice President Advocates Dialogue

*PY0710003090 Lima Domestic Service in Spanish
1200 GMT 6 Oct 90*

[Text] Second Vice President Carlos Garcia has said that all possibilities for holding a dialogue should be considered. He added that sectors such as the Catholic Church and the National Evangelical Council have expressed their willingness to cooperate for national pacification.

[Begin recording] [Reporter] President Fujimori stated (?yesterday) that the conditions are not right to hold a dialogue with the MRTA [Tupac Amaru Revolutionary Movement]. (?What to you think about this?)

[Garcia] Engineer Fujimori is also the head of the Change 90 movement, which includes national pacification among its objectives. It seems that he is a little distant from the earlier guidelines outlined by the movement.

[Reporter] Just a little?

[Garcia] Well, he says that he does not want to hold a dialogue for the time being. He demands that arms be laid down. I think that all possibilities for dialogue should be considered.

[Reporter] He has practically disapproved the negotiations to hold dialogue which are being carried out by some Change 90 members and by yourself.

[Garcia] I think that other sectors of Peruvian society also approve this initiative. Monsignor Duran, president of the Peruvian episcopal conference, has expressed his willingness to mediate in a dialogue—that is, the Catholic Church advocates dialogue. During an interview, the president of the National Evangelical Council also said that he was willing to seek dialogue. Then you can see that several sectors have expressed their support for dialogue.

[Reporter] Do you think that there the conditions are right to hold a dialogue with the subversive group?

[Garcia] The conditions should be established. There should be a firm willingness to hold the dialogue and a truce for such a dialogue. Those who have resorted to arms should lay them down. The truce demands the suspension of the struggle while the dialogue is in progress. We can not ask them to lay down the arms or to unconditionally surrender because this can not be considered dialogue.

[Reporter] The president said that no official spokesman or representative of the subversive movements has so far expressed their willingness to hold a dialogue.

[Garcia] We have recently learned that the MRTA expressed its willingness to hold a dialogue with the grassroots of the Change 90 movement but not with the government. They should clarify this situation, because the grassroots of Change 90 must have their mediators or representatives. You know that Change 90 is not a well organized party.

[Reporter] [Words indistinct] with the grassroots of Change 90 in any case?

[Garcia] This matter should be discussed by the National Executive Committee.

[Reporter] Have you talked with President Fujimori [word indistinct]? Is a meeting scheduled?

[Garcia] I believe that he is not willing to hold a meeting.

[Reporter] He does not want to (?listen to) you.

[Garcia] He made this statement. Maybe you have learned that through the press.

[Reporter] One question, (?Mr. Vice President): You proposed the pacification within the Change 90 movement. We also know that the president of the Republic is the top leader of the movement. How do you explain the fact that you make it public [word indistinct] as part of the proposals submitted by Change 90, and now the president of the Republic himself, who is supposed to be the one who should implement the proposals, is not promoting dialogue? Do you think the president has the power to change the initial guidelines outlined by the movement?

[Garcia] As I have already said, Change 90 proposed carrying out national pacification in its government program. We promised that to the people, and our people want national pacification. They want peace based on justice that can lead to the true reconciliation of Peruvians. If the head of the Change 90 movement is not willing to hold the dialogue, then he is not following the initial guidelines outlined by the movement.

[Reporter] How can Change 90 force the president to comply with the guidelines proposed by the movement that took him to power?

[Garcia] The Change 90 congressional representatives should play an important role so that the movement can return to its earlier guidelines. This is the time for the congressional bloc to support national pacification.

[Reporter] It has been requested, however, that deputy [name indistinct] resign as chairman of the Change 90 movement bloc at congress.

[Garcia] That is not true. This report has not been confirmed because the paper that published this information did not mention the name of any deputy. [sentence as heard] It said that he was asked to resign but it did not specify the person's name. [end recording]

MRTA Leader Calls Paper To Discuss Events

PY0610121890 Lima EXPRESO in Spanish 3 Oct 90 p 8

[Quotation marks as published]

[Text] In a new telephone call last night, the person who identifies himself as Victor Polay Campos denied having sent the media copies of two EXPRESO articles announcing his intention to lay down his weapons. On top of the newspaper articles the following had been written: "We repudiate the farce of the National Intelligence Service (SIN) and EXPRESO," and "clumsy maneuver by SIN and EXPRESO."

During a conversation with Jaime Marroquin, EXPRESO chief editor, the MRTA [Tupac Amaru Revolutionary Movement] leader also said that he has not

signed any declaration against the Fujimori administration because he first wants to attain peace. Polay attributed the anti-Fujimori declarations to Nestor Serpa Cartolini, another MRTA leader, "with the purpose of pulling the rug out from under my feet."

During the conversation, Polay said he had tried to talk with President Fujimori and with Senator Enrique Bernales on the phone. He said that he talked with Interior Minister General Alvarado Fournier at the Capitol movie theater, and that yesterday he talked with him again on the phone without obtaining a positive answer on his initiative to establish a dialogue.

"I am becoming disappointed and frustrated because besides this, I am very sick with ulcers and could not tolerate further detentions; I would prefer to shoot myself," Polay complained.

The following are details of the conversation EXPRESO had with Victor Polay Campos.

Polay phoned at 0945 PM and said: "I am Victor Polay and I am informing you that I have talked with President Fujimori. Well, I really did not manage to talk with him because he simply answered: 'All right, Polay,' and hung up on me. This means that he does not want a dialogue or democracy. He must surely have his own reasons.

How did you obtain the president's telephone number, I asked him. "The interior minister told me that it would be better if I talked with the man, he gave me his telephone number, and I recognized his (Fujimori's) voice, but he did not want to talk.

And were you able to meet with Minister Alvarado? "We were not able to hold a second meeting but I phoned him several times at his office; he did not answer me."

The minister said he never met you, he just said so on television...

"That is not true, I met the minister in the Capitol movie theater. We were there together. Now, if he denies it, I do not understand it."

"Look, I am a man that decides things fast.

When the deputy [kidnapped Change 90 Deputy Gerardo Lopez Quiroz] was freed on Sunday [30 September], I thought of going to Government House with Lopez and then turning him over to any of the media or to the police. At 1500 I called Senator Bernales to ask him for his advice. His secretary answered the phone, and more than six times I tried in vain to talk with the senator. I wanted to tell him that I intended to turn over the deputy."

"Since I could not talk with Bernales, I finally decided to call Channel 5. That is what I did at 0730 PM. I told the person who answered the phone to pick up Deputy Lopez in Barranco. I complied with the promise I made to the minister."

Could Lopez confirm that you questioned him? "I do not think so because my colleagues (about eight) and I were wearing hoods. I treated Lopez with respect when I called him doctor or with familiarity when I called him young man, instead of using his name."

The deputy, according to Polay, was held in a shanty house with a bathroom.

Polay's voice seemed tired, he coughed, and admitted that he was sick with a duodenal ulcer that made him feel very bad. "I am undergoing medical treatment, but the ulcer has gotten worse."

"My illness and the disbelief of my offer has disappointed me. I am frustrated. I would not want, and I would not be able to tolerate being detained again. I would rather shoot myself in the head first."

Why have you made such a harsh declaration against the government and sent two newspaper articles with statements written on them labeling as a farce and a clumsy maneuver the articles published by EXPRESO about your intention to lay down your weapons?

"Look, I did not authorize any declaration."

But your signature is there. "Of course my signature may have been used. I cannot deny or label as a farce declarations I made."

What do you think about this?

"That there is someone within the MRTA who wants to pull the rug out from under my feet. I want to establish a dialogue soon, to negotiate peace, and to lay down the weapons. I want the government to understand this."

The conversation lasted 20 minutes.

Fujimori Comments on Antiterrorism Efforts

*PY0610204690 Lima Television Peruana in Spanish
0100 GMT 6 Oct 90*

[Excerpt] President Alberto Fujimori has announced that a complete antisubversion policy is being prepared. He also said that the government will not retreat in the struggle against terrorism and drug trafficking; however, the president said that no substantial changes will be introduced in the near future because the new plan involves all national sectors.

Regarding the \$2-million bridge loan that some friendly countries may grant to Peru to allow it meet its obligations to international banks, the president said that negotiations for the loan are proceeding well and that Prime Minister Hurtado Miller will reveal more details about this loan when he returns from the United States. The chief of state also spoke about other subjects of national interest.

[Begin recording] [Fujimori, in progress] ... we also have some dispositions condemning pro-terrorist propaganda. My position regarding this subject is very clear. We will

not retreat in the struggle against subversion and narcotics. On the contrary, we will implement a complete strategy.

[Reporter] The National Defense Council met to present an antisubversion plan. When will this plan be approved and announced?

[Fujimori] The joint command is evaluating the plan, which is nearly ready, but we are carrying out a complete study because it will not only imply a military struggle. As we repeatedly said, it will imply development—that is, education, health, and agriculture.

[Reporter] Mr. President, are these changes owed to the fact that subversion is gaining more territory or what?

[Fujimori] No, this is in compliance with a decision of the National Defense Council. We are complying with this decision.

[Reporter] But what about the changes in the antisubversion strategy?

[Fujimori] There will be no substantial changes in the short term. We are strengthening the Armed Forces, and we are also implementing a program that will include agriculture, education, and health. [passage omitted] [end recording]

Defense Minister on New Strategy

*PY0610214690 Lima Television Peruana in Spanish
0100 GMT 6 Oct 90*

[Text] Defense Minister General Jorge Torres Aciego has announced that nonmilitary sectors will also participate in the new antiterrorism strategy. He also supports the president's decision not to establish a dialogue with the armed groups.

[Begin recording] [Torres] We just finished a special Council of Ministers session during which we presented the guidelines of the national defense strategy. We specifically referred to antisubversion actions. We announced our objectives and policy guidelines. We presented to the president and the ministers general guidelines for a new antisubversion strategy. The important or new aspect of this strategy is that we want to stress the participation of nonmilitary sectors. This means that we want to allow the sectors of education, health, agriculture, transportation, economy, etc., to participate in this struggle and not have the Armed Forces and the National Police be the only ones responsible for eradicating this scourge.

This is a new aspect of our strategy since we want the rest of the sectors to understand that they must all participate. Thus, I call on all Peruvians to also intervene as much as they can in this antisubversion struggle until we achieve national pacification. I hope this will be understood and that everyone will participate so that the military will not be the only ones participating in this war, which at times is becoming terrible and worrisome.

[Reporter] Minister, the president of the Republic said yesterday that he will not establish a dialogue with the subversives or the sectors that have taken up arms. Was this decision made after a suggestion by the Armed Forces or the Defense Ministry? Have you participated in the president's decision?

[Torres] No, that is a political decision at the highest level. We did not participate in this decision.

[Reporter] Do you support this decision?

[Torres] Yes, we must support it because it is a high-level decision. [end recording]

State of Emergency Extended in Lima, Callao

PY0510215590 Madrid EFE in Spanish 2129 GMT
5 Oct 90

[Excerpt] Lima, 5 Oct (EFE)—The Peruvian Government today extended the state of emergency for 60 days in the Lima Department and the Callao Port because of the continued subversive threat.

The measure establishes that the Armed Forces will continue to control internal order in Lima, its provinces, and in Callao, and that individual constitutional guarantees will continue suspended.

The state of emergency was extended following the expiration of a 30-day extension order which began on 5 September. This decision coincides with President Alberto Fujimori's refusal to talk with the Tupac Amaru Revolutionary Movement (MRTA) terrorist group. [passage omitted]

President Fujimori Receives Naval Decorations

PY0810150890 Lima Television Peruana in Spanish
0100 GMT 7 Oct 90

[Excerpts] During a ceremony today, the Peruvian Navy decorated President Alberto Fujimori with the Order of the Peruvian Cross of Naval Merit and with the Order of Great Admiral Miguel Grau.

The ceremony was attended by high Navy officials and Defense Minister Jorge Torres Aciego who emphasized the preparation and unity of the Armed Forces. President Fujimori reiterated his confidence in and admiration for the Peruvian Armed Forces. The ceremony was held in the Government House.

[Begin recording] [Passage omitted] [Torres] Your Excellency, Mr. President of the Republic: With the profound emotion of a soldier and with a feeling of great responsibility, I had the great honor of bestowing the decorations of the Order of the Peruvian Cross of Naval Merit and of the Order of Great Admiral Miguel Grau on Your Excellency, the constitutional president of the Republic and supreme chief of the Armed Forces.

I believe it is necessary to emphasize that this act is very important because the decorations the president has received are recognition of his dedication to the poor sectors and of his constant concern over problems related to national security, both in the external and internal sectors.

I would like to conclude by conveying my congratulations to you and by wishing your administration success in leading the country to progress and our people to well-being.

[Fujimori] I receive with great emotion the decorations Order of the Peruvian Cross of Naval Merit and Order of Great Admiral Grau which the Peruvian high naval command has bestowed on me. I receive the decorations with humility but also with pride, which are contradictory feelings but which represent a great responsibility in honoring these jewels which are not only a symbol of our heroic Navy which is so close to Peruvian history, but also a further commitment to make every effort for the greatness of Peru.

Upon receiving the decorations you so generously gave me, I become indebted to the Peruvian Navy to which I am committed. I am fully aware of the great responsibility to honor the decorations that are now becoming an incentive and a commitment to work with greater dedication for the prosperity and greatness of our country. Thank you very much. [end recording]